GROUP ON CEREALS

Statistics on Cereals Spec(63)181
Other matters for discussion Spec(63)189
Elements to be taken into consideration Spec(63)188/Rev.1
Summary note on measures of agreement Spec(63)223
Note on additional quantities absorbed through non-commercial deliveries Spec(63)296
Summary on discussion of March 1964 Spec(64)57
Statement by exporting countries Spec(64)74
List of products for world arrangements Spec(64)86
Proposals for general arrangements INT(65)160
Proposal to establish a Working Party INT(65)375
Draft letter inviting members of International Wheat Agreement

Elements considered for inclusion in International Grains Arrangement 1967 INT(66)563
Proposal from Chairman UNT(66)566
Proposals by delegations on skeleton agreement prepared by secretariat (SECRET) INT(66)593
Elements considered for inclusion in International Grains Arrangements 1967 (SECRET) INT(67)31
Amendments to above document proposed by Japan INT(67)31
Terms of reference of the Working Party INT(67)36
Status of countries in Kennedy Round and International Wheat Agreement INT(67)37
Report of Working Party INT(67)43
Hypothetical keys to contributions to food aid INT(67)46 & Add.1
Calculation of minimum price equivalents INT(67)55
Price equivalents of various grades and qualities of wheat (SECRET) INT(67)75
IWA maximum and minimum equivalent prices INT(67)79
Schematic table of fob prices and c/f prices (SECRET) INT(67)80
Differentials prepared by Intl Wheat Council INT(67)87
Memorandum of Agreement on elements to be incorporated in formal protocol INT(67)135
Idem INT(67)136
Idem INT(67)137
Document submitted by FAO and WFP Re TN.64/7 --
draft Grains Agreement — document prepared
by Secretariat
Note on terminology used
Summary of statements on adjustments
Working document compiled by secretariat (E & F)
Comparison of fob export prices with minimum
fob prices
Memorandum og agreement on basic elements
for negotiation of World Grains arrangement
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United States</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>1950</td>
<td>1951</td>
<td>1952</td>
<td>1953</td>
<td>1954</td>
</tr>
<tr>
<td>Denmark</td>
<td>2481</td>
<td>2318</td>
<td>2891</td>
<td>2880</td>
<td>1200</td>
</tr>
<tr>
<td>Germany</td>
<td>2423</td>
<td>3243</td>
<td>3023</td>
<td>2702</td>
<td>3714</td>
</tr>
<tr>
<td>Italy</td>
<td>706</td>
<td>291</td>
<td>220</td>
<td>279</td>
<td>225</td>
</tr>
<tr>
<td>Italy</td>
<td>706</td>
<td>291</td>
<td>220</td>
<td>279</td>
<td>225</td>
</tr>
<tr>
<td>Japan</td>
<td>1708</td>
<td>1002</td>
<td>1943</td>
<td>1457</td>
<td>1085</td>
</tr>
<tr>
<td>Korea</td>
<td>116</td>
<td>109</td>
<td>123</td>
<td>132</td>
<td>132</td>
</tr>
<tr>
<td>Portugal</td>
<td>1340</td>
<td>209</td>
<td>190</td>
<td>170</td>
<td>180</td>
</tr>
<tr>
<td>Spain</td>
<td>1759</td>
<td>1291</td>
<td>1942</td>
<td>2282</td>
<td>2162</td>
</tr>
<tr>
<td>United States</td>
<td>2070</td>
<td>311</td>
<td>233</td>
<td>253</td>
<td>253</td>
</tr>
<tr>
<td>South Africa</td>
<td>1402</td>
<td>971</td>
<td>1625</td>
<td>1625</td>
<td>1625</td>
</tr>
<tr>
<td>Argentina</td>
<td>1050</td>
<td>1040</td>
<td>1030</td>
<td>1020</td>
<td>1010</td>
</tr>
<tr>
<td>Brazil</td>
<td>137</td>
<td>137</td>
<td>137</td>
<td>137</td>
<td>137</td>
</tr>
<tr>
<td>Chile</td>
<td>1298</td>
<td>1006</td>
<td>1820</td>
<td>1820</td>
<td>1820</td>
</tr>
<tr>
<td>Colombia</td>
<td>885</td>
<td>885</td>
<td>885</td>
<td>885</td>
<td>885</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>1292</td>
<td>1292</td>
<td>1292</td>
<td>1292</td>
<td>1292</td>
</tr>
<tr>
<td>Ecuador</td>
<td>1154</td>
<td>1154</td>
<td>1154</td>
<td>1154</td>
<td>1154</td>
</tr>
<tr>
<td>Honduras</td>
<td>1308</td>
<td>1308</td>
<td>1308</td>
<td>1308</td>
<td>1308</td>
</tr>
<tr>
<td>Mexico</td>
<td>1252</td>
<td>1252</td>
<td>1252</td>
<td>1252</td>
<td>1252</td>
</tr>
<tr>
<td>Peru</td>
<td>1340</td>
<td>1340</td>
<td>1340</td>
<td>1340</td>
<td>1340</td>
</tr>
<tr>
<td>Uruguay</td>
<td>1340</td>
<td>1340</td>
<td>1340</td>
<td>1340</td>
<td>1340</td>
</tr>
<tr>
<td>Venezuela</td>
<td>1340</td>
<td>1340</td>
<td>1340</td>
<td>1340</td>
<td>1340</td>
</tr>
<tr>
<td>Vietnam</td>
<td>1340</td>
<td>1340</td>
<td>1340</td>
<td>1340</td>
<td>1340</td>
</tr>
<tr>
<td>Analysis of wheat and wheat flour 1950-1955</td>
<td>Analysis of wheat and wheat flour 1950-1955</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>---------------------------------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Table 3</strong></td>
<td><strong>Table 4</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>1950</strong></td>
<td><strong>1955</strong></td>
<td><strong>1960</strong></td>
<td><strong>1965</strong></td>
<td><strong>1970</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total world - total Consul</strong></td>
<td><strong>Total world - total Consul</strong></td>
<td><strong>Total world - total Consul</strong></td>
<td><strong>Total world - total Consul</strong></td>
<td><strong>Total world - total Consul</strong></td>
<td></td>
</tr>
<tr>
<td>of which: wheat:</td>
<td>of which: wheat:</td>
<td>of which: wheat:</td>
<td>of which: wheat:</td>
<td>of which: wheat:</td>
<td></td>
</tr>
<tr>
<td>Austria - Austria</td>
<td>Austria - Austria</td>
<td>Austria - Austria</td>
<td>Austria - Austria</td>
<td>Austria - Austria</td>
<td></td>
</tr>
<tr>
<td>Denmark - Denmark</td>
<td>Denmark - Denmark</td>
<td>Denmark - Denmark</td>
<td>Denmark - Denmark</td>
<td>Denmark - Denmark</td>
<td></td>
</tr>
<tr>
<td>Germany, F.R. - Germany, F.R.</td>
<td>Germany, F.R. - Germany, F.R.</td>
<td>Germany, F.R. - Germany, F.R.</td>
<td>Germany, F.R. - Germany, F.R.</td>
<td>Germany, F.R. - Germany, F.R.</td>
<td></td>
</tr>
<tr>
<td>Ireland - Ireland</td>
<td>Ireland - Ireland</td>
<td>Ireland - Ireland</td>
<td>Ireland - Ireland</td>
<td>Ireland - Ireland</td>
<td></td>
</tr>
<tr>
<td>Italy - Italy</td>
<td>Italy - Italy</td>
<td>Italy - Italy</td>
<td>Italy - Italy</td>
<td>Italy - Italy</td>
<td></td>
</tr>
<tr>
<td>Netherlands - Netherlands</td>
<td>Netherlands - Netherlands</td>
<td>Netherlands - Netherlands</td>
<td>Netherlands - Netherlands</td>
<td>Netherlands - Netherlands</td>
<td></td>
</tr>
<tr>
<td>Norway - Norway</td>
<td>Norway - Norway</td>
<td>Norway - Norway</td>
<td>Norway - Norway</td>
<td>Norway - Norway</td>
<td></td>
</tr>
<tr>
<td>Portugal - Portugal</td>
<td>Portugal - Portugal</td>
<td>Portugal - Portugal</td>
<td>Portugal - Portugal</td>
<td>Portugal - Portugal</td>
<td></td>
</tr>
<tr>
<td>Switzerland - Switzerland</td>
<td>Switzerland - Switzerland</td>
<td>Switzerland - Switzerland</td>
<td>Switzerland - Switzerland</td>
<td>Switzerland - Switzerland</td>
<td></td>
</tr>
<tr>
<td>United Kingdom - United Kingdom</td>
<td>United Kingdom - United Kingdom</td>
<td>United Kingdom - United Kingdom</td>
<td>United Kingdom - United Kingdom</td>
<td>United Kingdom - United Kingdom</td>
<td></td>
</tr>
<tr>
<td>Poland - Poland</td>
<td>Poland - Poland</td>
<td>Poland - Poland</td>
<td>Poland - Poland</td>
<td>Poland - Poland</td>
<td></td>
</tr>
<tr>
<td>Brazil - Brazil</td>
<td>Brazil - Brazil</td>
<td>Brazil - Brazil</td>
<td>Brazil - Brazil</td>
<td>Brazil - Brazil</td>
<td></td>
</tr>
<tr>
<td>Peru - Peru</td>
<td>Peru - Peru</td>
<td>Peru - Peru</td>
<td>Peru - Peru</td>
<td>Peru - Peru</td>
<td></td>
</tr>
<tr>
<td>Norway - Norway</td>
<td>Norway - Norway</td>
<td>Norway - Norway</td>
<td>Norway - Norway</td>
<td>Norway - Norway</td>
<td></td>
</tr>
<tr>
<td>Israel - Israel</td>
<td>Israel - Israel</td>
<td>Israel - Israel</td>
<td>Israel - Israel</td>
<td>Israel - Israel</td>
<td></td>
</tr>
<tr>
<td>India - India</td>
<td>India - India</td>
<td>India - India</td>
<td>India - India</td>
<td>India - India</td>
<td></td>
</tr>
<tr>
<td>Japan - Japan</td>
<td>Japan - Japan</td>
<td>Japan - Japan</td>
<td>Japan - Japan</td>
<td>Japan - Japan</td>
<td></td>
</tr>
<tr>
<td>Netherlands - Netherlands</td>
<td>Netherlands - Netherlands</td>
<td>Netherlands - Netherlands</td>
<td>Netherlands - Netherlands</td>
<td>Netherlands - Netherlands</td>
<td></td>
</tr>
<tr>
<td>Pakistan - Pakistan</td>
<td>Pakistan - Pakistan</td>
<td>Pakistan - Pakistan</td>
<td>Pakistan - Pakistan</td>
<td>Pakistan - Pakistan</td>
<td></td>
</tr>
<tr>
<td>Algeria - Algeria</td>
<td>Algeria - Algeria</td>
<td>Algeria - Algeria</td>
<td>Algeria - Algeria</td>
<td>Algeria - Algeria</td>
<td></td>
</tr>
<tr>
<td>Argentina - Argentina</td>
<td>Argentina - Argentina</td>
<td>Argentina - Argentina</td>
<td>Argentina - Argentina</td>
<td>Argentina - Argentina</td>
<td></td>
</tr>
<tr>
<td>South Africa - South Africa</td>
<td>South Africa - South Africa</td>
<td>South Africa - South Africa</td>
<td>South Africa - South Africa</td>
<td>South Africa - South Africa</td>
<td></td>
</tr>
<tr>
<td>New Zealand - New Zealand</td>
<td>New Zealand - New Zealand</td>
<td>New Zealand - New Zealand</td>
<td>New Zealand - New Zealand</td>
<td>New Zealand - New Zealand</td>
<td></td>
</tr>
</tbody>
</table>

1 Analysis of wheat and wheat flour in terms of wheat - Based on tonnage and volume of flours. (In the following table).

2 Excluding wheat flour - In the following table - Based on tonnage and volume of flours.

<table>
<thead>
<tr>
<th>Country</th>
<th>1938</th>
<th>1939</th>
<th>1940</th>
<th>1941</th>
<th>1942</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>118</td>
<td>139</td>
<td>150</td>
<td>171</td>
<td>190</td>
</tr>
<tr>
<td>Belgium-Luxembourg</td>
<td>858</td>
<td>819</td>
<td>858</td>
<td>853</td>
<td>819</td>
</tr>
<tr>
<td>Denmark</td>
<td>570</td>
<td>545</td>
<td>584</td>
<td>510</td>
<td>390</td>
</tr>
<tr>
<td>Germany</td>
<td>127</td>
<td>241</td>
<td>332</td>
<td>70</td>
<td>60</td>
</tr>
<tr>
<td>Ireland</td>
<td>2705</td>
<td>2488</td>
<td>2519</td>
<td>2570</td>
<td>2625</td>
</tr>
<tr>
<td>Italy</td>
<td>134</td>
<td>217</td>
<td>286</td>
<td>354</td>
<td>450</td>
</tr>
<tr>
<td>Netherlands</td>
<td>175</td>
<td>216</td>
<td>293</td>
<td>345</td>
<td>362</td>
</tr>
<tr>
<td>Portugal</td>
<td>123</td>
<td>138</td>
<td>160</td>
<td>145</td>
<td>148</td>
</tr>
<tr>
<td>Switzerland</td>
<td>258</td>
<td>352</td>
<td>480</td>
<td>397</td>
<td>437</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>1215</td>
<td>1320</td>
<td>1488</td>
<td>1514</td>
<td>1514</td>
</tr>
<tr>
<td>Yugoslavia</td>
<td>602</td>
<td>502</td>
<td>402</td>
<td>160</td>
<td>103</td>
</tr>
<tr>
<td>Poland</td>
<td>688</td>
<td>1393</td>
<td>1700</td>
<td>756</td>
<td>756</td>
</tr>
<tr>
<td>Brazil</td>
<td>1532</td>
<td>1023</td>
<td>1963</td>
<td>1087</td>
<td>1087</td>
</tr>
<tr>
<td>Peru</td>
<td>200</td>
<td>300</td>
<td>226</td>
<td>158</td>
<td>158</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>190</td>
<td>290</td>
<td>365</td>
<td>276</td>
<td>276</td>
</tr>
<tr>
<td>Israel</td>
<td>282</td>
<td>289</td>
<td>286</td>
<td>102</td>
<td>102</td>
</tr>
<tr>
<td>India</td>
<td>1120</td>
<td>1149</td>
<td>1230</td>
<td>1230</td>
<td>1230</td>
</tr>
<tr>
<td>Japan</td>
<td>383</td>
<td>314</td>
<td>270</td>
<td>270</td>
<td>270</td>
</tr>
<tr>
<td>China</td>
<td>384</td>
<td>324</td>
<td>424</td>
<td>424</td>
<td>424</td>
</tr>
<tr>
<td>Argentine Republic</td>
<td>26</td>
<td>16</td>
<td>27</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>South Africa</td>
<td>1800</td>
<td>1900</td>
<td>1900</td>
<td>1900</td>
<td>1900</td>
</tr>
<tr>
<td>Egypt</td>
<td>1181</td>
<td>1590</td>
<td>1389</td>
<td>1389</td>
<td>1389</td>
</tr>
<tr>
<td>New Zealand</td>
<td>470</td>
<td>720</td>
<td>881</td>
<td>106</td>
<td>106</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>1835</td>
<td>1835</td>
<td>1835</td>
<td>1835</td>
<td>1835</td>
</tr>
<tr>
<td>Canada</td>
<td>8474</td>
<td>8474</td>
<td>8474</td>
<td>8474</td>
<td>8474</td>
</tr>
<tr>
<td>United States</td>
<td>11121</td>
<td>11121</td>
<td>11121</td>
<td>11121</td>
<td>11121</td>
</tr>
<tr>
<td>Argentina</td>
<td>2152</td>
<td>2152</td>
<td>2152</td>
<td>2152</td>
<td>2152</td>
</tr>
<tr>
<td>Australia</td>
<td>1428</td>
<td>1428</td>
<td>1428</td>
<td>1428</td>
<td>1428</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Country</th>
<th>1938</th>
<th>1939</th>
<th>1940</th>
<th>1941</th>
<th>1942</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>1835</td>
<td>1835</td>
<td>1835</td>
<td>1835</td>
<td>1835</td>
</tr>
<tr>
<td>Canada</td>
<td>8474</td>
<td>8474</td>
<td>8474</td>
<td>8474</td>
<td>8474</td>
</tr>
<tr>
<td>United States</td>
<td>11121</td>
<td>11121</td>
<td>11121</td>
<td>11121</td>
<td>11121</td>
</tr>
<tr>
<td>Argentina</td>
<td>2152</td>
<td>2152</td>
<td>2152</td>
<td>2152</td>
<td>2152</td>
</tr>
<tr>
<td>Australia</td>
<td>1428</td>
<td>1428</td>
<td>1428</td>
<td>1428</td>
<td>1428</td>
</tr>
</tbody>
</table>

Sources:

Notes:
1. Wheat and flour (in tons of wheat) - France and total tonnage (in millions of tons).
2. Excluding wheat flour - Excluding the tonnage of flour.
3. Wheat and flour (in tons of wheat) - France and total tonnage (in millions of tons).

### Table 5 - Tableau 5

<table>
<thead>
<tr>
<th>Total world - total mondial</th>
<th>1959</th>
<th>1960</th>
<th>1961</th>
<th>1962</th>
</tr>
</thead>
<tbody>
<tr>
<td>of which - - de laquelle</td>
<td>A</td>
<td>B</td>
<td>A</td>
<td>B</td>
</tr>
<tr>
<td>Austria - Autriche</td>
<td>656</td>
<td>646</td>
<td>672</td>
<td>682</td>
</tr>
<tr>
<td>Belgium - Luxembourg</td>
<td>464</td>
<td>490</td>
<td>520</td>
<td>550</td>
</tr>
<tr>
<td>Denmark - Danemark</td>
<td>211</td>
<td>202</td>
<td>201</td>
<td>199</td>
</tr>
<tr>
<td>Germany F.R. - Allemagne F.R.</td>
<td>1274</td>
<td>1350</td>
<td>1412</td>
<td>1276</td>
</tr>
<tr>
<td>Italy - Italie</td>
<td>295</td>
<td>302</td>
<td>304</td>
<td>316</td>
</tr>
<tr>
<td>Netherlands - Pays-Bas</td>
<td>168</td>
<td>186</td>
<td>202</td>
<td>220</td>
</tr>
<tr>
<td>Poland - Pologne</td>
<td>173</td>
<td>170</td>
<td>168</td>
<td>163</td>
</tr>
<tr>
<td>Switzerland - Suisse</td>
<td>182</td>
<td>230</td>
<td>248</td>
<td>266</td>
</tr>
<tr>
<td>United Kingdom - Royaume-Uni</td>
<td>1347</td>
<td>1512</td>
<td>1710</td>
<td>1980</td>
</tr>
<tr>
<td>Japan - Japon</td>
<td>716</td>
<td>748</td>
<td>765</td>
<td>765</td>
</tr>
</tbody>
</table>

*January-September 1961: 214 thousand tons

### Table 6 - Tableau 6

<table>
<thead>
<tr>
<th>Total world - Total mondial</th>
<th>1959</th>
<th>1960</th>
<th>1961</th>
<th>1962</th>
</tr>
</thead>
<tbody>
<tr>
<td>of which - - de laquelle</td>
<td>A</td>
<td>B</td>
<td>A</td>
<td>B</td>
</tr>
<tr>
<td>France</td>
<td>802</td>
<td>840</td>
<td>880</td>
<td>920</td>
</tr>
<tr>
<td>Yugoslavia - Yougoslavie</td>
<td>82</td>
<td>83</td>
<td>85</td>
<td>86</td>
</tr>
<tr>
<td>Canada</td>
<td>1605</td>
<td>1565</td>
<td>1531</td>
<td>1438</td>
</tr>
<tr>
<td>United States - Etats-Unis</td>
<td>2565</td>
<td>2768</td>
<td>2874</td>
<td>2927</td>
</tr>
<tr>
<td>Argentina - Argentine</td>
<td>235</td>
<td>299</td>
<td>300</td>
<td>129</td>
</tr>
<tr>
<td>Australia - Australie</td>
<td>295</td>
<td>356</td>
<td>359</td>
<td>359</td>
</tr>
<tr>
<td>South Africa - Afrique du Sud</td>
<td>120</td>
<td>102</td>
<td>102</td>
<td>120</td>
</tr>
</tbody>
</table>

*January-June 1961: 244 thousand tons

Sources:
- FAO, Monthly Bulletin of Agricultural Economics and Statistics;
- FAO, Bulletin mensuel des statistiques agricoles; and
<table>
<thead>
<tr>
<th>Destination</th>
<th>Source</th>
<th>Year</th>
<th>Brésil</th>
<th>Argentine (DS)</th>
<th>Australie</th>
<th>Canada</th>
<th>Chine</th>
<th>États-Unis</th>
<th>France</th>
<th>Japon</th>
<th>Royaume-Uni</th>
<th>Suisse</th>
<th>Autres</th>
<th>total des exports de l'année</th>
<th>Export total</th>
<th>Total des expéditions de l'année</th>
<th>Export total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brésil</td>
<td></td>
<td>1968/69</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
<tr>
<td>Brésil</td>
<td></td>
<td>1969/70</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
<tr>
<td>Brésil</td>
<td></td>
<td>1970/71</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
<tr>
<td>Brésil</td>
<td></td>
<td>1971/72</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
<tr>
<td>Brésil</td>
<td></td>
<td>1972/73</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
<tr>
<td>Brésil</td>
<td></td>
<td>1973/74</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
<tr>
<td>Brésil</td>
<td></td>
<td>1974/75</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
<tr>
<td>Brésil</td>
<td></td>
<td>1975/76</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
<tr>
<td>Brésil</td>
<td></td>
<td>1976/77</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
<tr>
<td>Brésil</td>
<td></td>
<td>1977/78</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
<tr>
<td>Brésil</td>
<td></td>
<td>1978/79</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
<tr>
<td>Brésil</td>
<td></td>
<td>1979/80</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
<tr>
<td>Brésil</td>
<td></td>
<td>1980/81</td>
<td>52.5</td>
<td>214.3</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td>132.4</td>
<td></td>
</tr>
</tbody>
</table>

Source: Tableau 7 (continued: suite)
<table>
<thead>
<tr>
<th>Destination</th>
<th>Argentina</th>
<th>Australia</th>
<th>Austria</th>
<th>Belgium</th>
<th>Canada</th>
<th>United States</th>
<th>Chile</th>
<th>Denmark</th>
<th>France</th>
<th>Germany</th>
<th>Greece</th>
<th>Iceland</th>
<th>Ireland</th>
<th>Italy</th>
<th>Japan</th>
<th>Netherlands</th>
<th>Norway</th>
<th>Peru</th>
<th>Poland</th>
<th>Portugal</th>
<th>Spain</th>
<th>Sweden</th>
<th>Switzerland</th>
<th>United Kingdom</th>
<th>Uruguay</th>
<th>Venezuela</th>
<th>World</th>
<th>Mediterranean</th>
<th>Middle East</th>
<th>North Africa</th>
<th>Other</th>
<th>South Africa</th>
<th>South America</th>
<th>Total of 7 + = Total World</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Minor</td>
<td>43.0</td>
<td>12.5</td>
<td>0.5</td>
<td>6.3</td>
<td>9.6</td>
<td>5.2</td>
<td>15.7</td>
<td>114.5</td>
<td>112.0</td>
<td>15.2</td>
<td>4.7</td>
<td>1.1</td>
<td>22.4</td>
<td>3.3</td>
<td>50.9</td>
<td>3.0</td>
<td>11.5</td>
<td>12.3</td>
<td>2.1</td>
<td>2.4</td>
<td>15.0</td>
<td>3.5</td>
<td>29.0</td>
<td>1.5</td>
<td>12.5</td>
<td>12.3</td>
<td>12.3</td>
<td>12.3</td>
<td>12.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>69.4</td>
<td>6.7</td>
<td>1.5</td>
<td>3.0</td>
<td>6.3</td>
<td>3.0</td>
<td>12.0</td>
<td>1.5</td>
<td>14.5</td>
<td>14.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>European</td>
<td>31.2</td>
<td>10.3</td>
<td>1.1</td>
<td>3.5</td>
<td>8.6</td>
<td>5.2</td>
<td>10.7</td>
<td>122.6</td>
<td>124.9</td>
<td>13.0</td>
<td>4.7</td>
<td>1.1</td>
<td>20.9</td>
<td>2.4</td>
<td>28.9</td>
<td>2.0</td>
<td>11.5</td>
<td>12.3</td>
<td>2.1</td>
<td>2.4</td>
<td>15.0</td>
<td>3.5</td>
<td>29.0</td>
<td>1.5</td>
<td>12.5</td>
<td>12.3</td>
<td>12.3</td>
<td>12.3</td>
<td>12.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mediterranean</td>
<td>43.0</td>
<td>12.5</td>
<td>0.5</td>
<td>6.3</td>
<td>9.6</td>
<td>5.2</td>
<td>15.7</td>
<td>114.5</td>
<td>112.0</td>
<td>15.2</td>
<td>4.7</td>
<td>1.1</td>
<td>22.4</td>
<td>3.3</td>
<td>50.9</td>
<td>3.0</td>
<td>11.5</td>
<td>12.3</td>
<td>2.1</td>
<td>2.4</td>
<td>15.0</td>
<td>3.5</td>
<td>29.0</td>
<td>1.5</td>
<td>12.5</td>
<td>12.3</td>
<td>12.3</td>
<td>12.3</td>
<td>12.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North Africa</td>
<td>31.2</td>
<td>10.3</td>
<td>1.1</td>
<td>3.5</td>
<td>8.6</td>
<td>5.2</td>
<td>10.7</td>
<td>122.6</td>
<td>124.9</td>
<td>13.0</td>
<td>4.7</td>
<td>1.1</td>
<td>20.9</td>
<td>2.4</td>
<td>28.9</td>
<td>2.0</td>
<td>11.5</td>
<td>12.3</td>
<td>2.1</td>
<td>2.4</td>
<td>15.0</td>
<td>3.5</td>
<td>29.0</td>
<td>1.5</td>
<td>12.5</td>
<td>12.3</td>
<td>12.3</td>
<td>12.3</td>
<td>12.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>Canada</td>
<td>United States</td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------------</td>
<td>-----------</td>
<td>--------</td>
<td>---------------</td>
<td>---------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales for local consumption</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Imports to other countries</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spesial credit facilities</td>
<td>-</td>
<td>602</td>
<td>2331</td>
<td>735 2331</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exporters of food</td>
<td>-</td>
<td>500</td>
<td>1113</td>
<td>500 1113</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total exports</td>
<td>-</td>
<td>945</td>
<td>1156</td>
<td>1902</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exporters totals</td>
<td>5031</td>
<td>5370</td>
<td>1902</td>
<td>5031 1902</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exports under government assisted programmes as per cent of all exports</td>
<td>0.4</td>
<td>9.6 34.1</td>
<td>41.7 44.7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Includes exports to unaided Chimb on credit terms which are not part of a specific government programme.
2 The exports in question are eligible to considerable assistance through the private sector as well as a specific government programme.
3 Including Cuba and the Panama Canal Zone.

### Table II - Tableau II

<table>
<thead>
<tr>
<th>Region</th>
<th>Total in million tons (tonne)</th>
<th>Total des millions de tonnes (tonne)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1958/59</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1962/63</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Total World - Total mondial

- **Data**
  - **Germany, F.R. - Allemagne, R.F.**
  - **France - France**
  - **Italy - Italie**
  - **Spain - Espagne**
  - **Brazil - Brésil**
  - **Other Continents - Autres continents**

#### Advanced Countries - Pays avancés

- **Argentina - Argentine**
- **Brazil - Brésil**
- **Canada - Canada**
- **United States - États-Unis**
- **United Kingdom - Royaume-Uni**

#### B Lesson - B Cours

<table>
<thead>
<tr>
<th>Country</th>
<th>Total in million tons (tonne)</th>
<th>Total des millions de tonnes (tonne)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1958/59</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1962/63</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Summary - Résumé

- **Harley, oats, maize, sorghum and rye**
- **Crop, vine, date, pear, mango et fig**
- **Harley, oats and rye, 1 July; maize and sorghum 1 October**
- **Crop, vine, date, pear, 1 December; safr 1 April**
- **Harley, oats and rye, 1 December; maize 1 April**
- **Crop, vine, date, pear, 1 December; safr 1 April**
- **United States 1 October, Argentina 1 April, South Africa 1 May**

**Source:** United States Government Department of Agriculture.

**Notes:**
- These totals shown are slightly lower than those relating to the United States in Table I because of omission of exports on credit terms which may not form part of a specific government program.
- The data is based on official estimates and is subject to error. It is not intended to form part of a single program of official statistics.
### Tableau 12 (suite)

**Importing countries - Pays importateurs**

<table>
<thead>
<tr>
<th>Pays importateurs</th>
<th>1960/61</th>
<th>1961/62</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Zealand - Nouvelle-Zélande</td>
<td>UV</td>
<td>66.5</td>
</tr>
<tr>
<td>United States - États-Unis</td>
<td>UV</td>
<td>67.2</td>
</tr>
<tr>
<td>Canada</td>
<td>UV</td>
<td>64.3</td>
</tr>
<tr>
<td>Australia - Australie</td>
<td>UV</td>
<td>55.4</td>
</tr>
<tr>
<td>France</td>
<td>UV</td>
<td>76.6</td>
</tr>
<tr>
<td>Argentina - Argentine</td>
<td>UV</td>
<td>61.6</td>
</tr>
</tbody>
</table>

*January-December of the second year stated - Janvier-décembre de la deuxième année indiquée.*

*Year beginning November - Année commençant en novembre.*

*Year beginning December - Année commençant en décembre.*

---

**Important note:** Voir notes page suivante.
<table>
<thead>
<tr>
<th>Country</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>Government fixed price to producers for wheat of average quality.</td>
</tr>
<tr>
<td>France</td>
<td>Government purchase price for Zone A wheat f.o.b. mills or warehouses in bags.</td>
</tr>
<tr>
<td>South Africa</td>
<td>Basic guaranteed price to producers for wheat of Class B, grade I in bags.</td>
</tr>
<tr>
<td>South Africa</td>
<td>Basic price paid to producers for wheat of Class B, grade I in bags.</td>
</tr>
<tr>
<td>Canada</td>
<td>Initial price to producers for No. 1 Manitoba Western wheat in store at Port William/Fort Arthur.</td>
</tr>
<tr>
<td>Argentina</td>
<td>Minimum price to producers for semi-hard wheat, grade II, in wagon, Buenos Aires port.</td>
</tr>
</tbody>
</table>
### Table 13 - Tableau 13

<table>
<thead>
<tr>
<th>Importing countries - Pays importateurs</th>
<th>1960/61</th>
<th>1961/62</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria - Autriche</td>
<td>19.6</td>
<td>19.3</td>
</tr>
<tr>
<td>France</td>
<td>17.3</td>
<td>17.6</td>
</tr>
<tr>
<td>Italy - Italie</td>
<td>57.4</td>
<td>56.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reporting countries - Pays exportateurs</th>
<th>1960/61</th>
<th>1961/62</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States - États-Unis</td>
<td>44.8</td>
<td>45.9</td>
</tr>
<tr>
<td>Argentina - Argentine</td>
<td>39.6</td>
<td>40.7</td>
</tr>
<tr>
<td>South Africa - Afrique du Sud</td>
<td>48.7</td>
<td>49.3</td>
</tr>
<tr>
<td>Yugoslavia - Yougoslavie</td>
<td>40.6</td>
<td>40.6</td>
</tr>
</tbody>
</table>

1. January-December of the first year stated

**Note**

- Crop year for European countries: July-June; United States: October-September; Argentina: April-March; South Africa: May-April.
- The campaigns vary from July to June for the EU countries, and from October to the United States, with variations for Argentina and South Africa.

**Source**


---

### Table 14 - Tableau 14

<table>
<thead>
<tr>
<th>Importing countries - Pays importateurs</th>
<th>1960/61</th>
<th>1961/62</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria - Autriche</td>
<td>64.1</td>
<td>65.3</td>
</tr>
<tr>
<td>Belgium-Luxembourg - Belgique-Luxemb.</td>
<td>56.9</td>
<td>58.3</td>
</tr>
<tr>
<td>Denmark - Danemark</td>
<td>55.7</td>
<td>56.6</td>
</tr>
<tr>
<td>France</td>
<td>55.3</td>
<td>56.6</td>
</tr>
<tr>
<td>Germany, F.R. - Allemagne, F.R.</td>
<td>57.0</td>
<td>58.3</td>
</tr>
<tr>
<td>Italy - Italie</td>
<td>56.0</td>
<td>57.3</td>
</tr>
<tr>
<td>Netherlands - Pays-Bas</td>
<td>51.8</td>
<td>53.0</td>
</tr>
<tr>
<td>Switzerland - Suisse</td>
<td>57.2</td>
<td>57.4</td>
</tr>
<tr>
<td>United Kingdom - Royaume-Uni</td>
<td>56.4</td>
<td>58.9</td>
</tr>
<tr>
<td>Japan - Japon</td>
<td>57.7</td>
<td>58.4</td>
</tr>
</tbody>
</table>

**Reported countries - Pays exportateurs**

- United States - États-Unis
- Canada
- Argentina - Argentine
- Australia - Australie

**Note**

- Prices are stated as of December 31 of the previous year (1960/61 for 1961/62).

**Source**

Table 14 - Tableau 14 (continued - suite)

**Austria**
P - Average annual price received by farmers for barley sold for livestock feeding.

**Australie**
P - Average annual price received by farmers for barley sold for brewing.

**Denmark**
P - Average price paid to producers in sales for export, for grinding, industrial and other purposes.

**France**
Price [less taxes and with crop conservation premium added] weighted according to quantities delivered each month.

**Netherlands**
Including a premium for growers on light soil. Adjusted over the total production, the premium for the 1961 crop was fl. 2.4 per ton as compared with fl. 9.6 in 1960.

**Switzerland**
Including a premium of Fr. 200.– per ha. Since 1969/70, including a subsidy of 9 fr. per hectare. From 1969/70 to 1971/72, a premium of 9 fr. per hectare.

**United Kingdom**
Including deficiency payments and before deduction of marketing expenses. Y compris primes de complément, avant réduction des frais de commercialisation.
GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANAIRES
ET LE COMMERCE

Confidential
Spec(53)189
25 June 1963

Group on cereals
Groupe des céréales

OTHER MATTERS FOR DISCUSSION

It is understood that governments participating in the negotiations shall abstain from any measures which in the course of the negotiations might prejudice the trading position of any of their partners in the negotiations.

IL EST ENTENDU que les gouvernements qui participeront aux négociations s’abstiennent de prendre toutes mesures qui, au cours de ces négociations, pourraient porter préjudice à la situation commerciale de l’un quelconque des co-négociateurs.
GENERAL AGREEMENT ON
TARIFFS AND TRADE

Issue on Cereals

SUBJECTS TO BE DRAFTED INTO CONSIDERATION

1. Cereals

The discussion would have to include all cereals i.e. wheat, wheat flour and the main coarse grains.

2. Agricultural price support and other support and organizational measures

It is recognized that the rapid rise in production in exporting and importing countries due to technological improvements and agricultural price support policies constitutes the root of the problem facing international trade in cereals. A general objective should be to improve the balance between supply and demand. The discussion will have to cover internal support prices and other organizational measures.

(b) Internal prices

The discussion will have to deal with the question of restraint on support of financial returns to producers likely to have the effect of increasing cereals' production. For example consideration under this heading might be given to:

- commitments as regards the height of the domestic support of intervention price level so as to discourage excessive production;
- commitments as regards an adaptation of the height of production subsidies;
- commitments to limit price and income support to a certain negotiated standard quantity;
- commitments to negotiate on any other measure affecting income and price policies.

(c) Other organizational measures

Arrangements on prices may not be sufficient by themselves to restore permanently the equilibrium between supply and demand. Effective measures of supply limitation should be considered, taking into account the comparative
advantage of efficient producers who at the present time produce without appreciable government support. To this end consideration might be given to the question of direct production control. Inter alia, through commitments in regards the area under sources' production, or the quantities of domestic production entering into commercial markets. The discussion will also cover the question of stock policies.

3. International trade

(i) International Prices

The objective would be to stabilize international prices at a level remunerative for efficient producers and reasonable for the consumer. To this end consideration should be given to the question of narrowing the gap between internal prices and international prices. In this connection the following might be considered:

- commitments gradually to eliminate export subsidies,
- the adoption of a precise price range by specifying in advance the price for the different qualities of wheat, wheat flour and the principal varieties of coarse grains,
- the adoption of effective procedures for enforcing such prices by requiring importing and/or exporting countries to take appropriate action when the agreed minimum price is not being or not likely to be observed either by other member countries failing to fulfill their obligations or by non-member countries,
- the question of stock policies as a means of stabilizing international prices.

(ii) Assurances of supply by exporting countries

4. Non-commercial disposals

Where surpluses develop, consideration should be given to arrangements providing for their orderly disposal, having due regard to the possibility of using such surpluses for the benefit of developing countries. Such arrangements should have regard to the principles and guiding lines established by the PAM, should involve as little as possible interference with the normal course of trade and should not cut across the present responsibilities of existing international organizations for food aid. In this connection it should be considered whether all grain producers, including importers as well as exporters should contribute to the World Food Programme.

5. Procedures

If the discussion of the points enumerated above lead to the conclusion of an arrangement, consideration will have to be given to the question of procedures for the effective implementation of the arrangement.
The Group on Cereals after its discussion at the meeting of 24-25 June 1963, requested the Chairman to prepare a paper summarizing the views expressed and indicating where possible, the essence of agreement existing at that stage. A draft summary note on the meeting is hereby circulated to the members of the Group. The members are invited to submit their comments, if possible before 10 August 1963.
Introduction

1. At their meeting in May 1963 the Ministers decided that comprehensive trade negotiations, covering agricultural products, should take place in 1964. The Ministers gave directives for the elaboration of the rules to govern, and the methods to be employed in, the creation of acceptable conditions of access to world markets for agricultural products in furtherance of a significant development and expansion of world trade in such products. The Ministers considered that for cereals general arrangements might be required and they entrusted to the Group on Cereals the task of negotiating appropriate arrangements. The Ministers requested that the Group should convene at an early date.

2. The Group met in London from 24 to 28 June 1963 under the Chairmanship of Mr. E. Wyndham White, Executive Secretary. The Group had before it documents submitted by the United Kingdom (Spec(5)/171), the United States (Spec(5)/175) and Japan (Spec(5)/186).

3. The Group, bearing in mind the general objective described in the directives given by the Ministers, had a discussion in which it listed elements which would have to be taken into consideration in its further work. Various views were expressed as regards these elements although not all delegations were able to take a firm position. The Group requested the Chairman to prepare a paper indicating the elements which would have to be considered, a synthesis of the views expressed and where possible the measure of agreement existing at this stage.

4. The present paper has been prepared in compliance with this request. The elements to be taken into consideration are listed under headings as discussed and agreed in the meeting.
There was general agreement that the discussions would have to include all cereals, i.e., wheat, wheat flour and the main coarse grains.

Agricultural price support and other support and organizational measures.

6. The Group considered the question of:
   (i) internal prices and
   (ii) other organizational measures.

7. In the discussion on these points it was contended that the rapid rise in production in exporting and importing countries due to technological improvements and agricultural price support policies constituted the root of the problems facing international trade in cereals. The various systems of support, the level of internal prices and more generally that of farmers' incomes both in importing and exporting countries, had an important bearing on the general situation of disequilibrium between supply and effective demand. The problem of this disequilibrium and the effect production had on the pattern of trade were similar in importing and exporting countries. The discussion would therefore have to cover internal support measures and other organizational measures both in importing and exporting countries.

Some members of the Group did not fully agree with these views. They pointed out that distribution should be made between the effects of policies on the one hand and technical improvements on the other. Technical improvements generally contributed to greater efficiency, although in many instances such improvements had been possible only because of the existence of artificially high support prices. Furthermore, a distinction should be made between the degree of protection prevailing in natural exporting countries and industrialized importing countries. Exporting countries had to meet a chaotic price situation on a world market affected by various governmental measures of protection to domestic producers, and the policies they had developed had the character mainly of stabilization arrangements and were not primarily intended to affect production.

9. It was nevertheless generally agreed that the whole question of government support measures in importing and exporting countries needed to be taken into consideration. The discussions would have to deal with the question of restraint on support of financial returns to producers likely to have the effect of increasing cereal production. For example consideration might be given to:
   - commitments as regards the height of the domestic support or intervention price level so as to discourage excessive production,
   - commitments as regards an adaptation of the height of production subsidies,
   - commitments to limit price and income support to a certain negotiated standard quantity,
   - commitments to negotiate on any other measure affecting income and price policies.

Furthermore consideration should be given to the question of:
   - direct production control, inter alia through commitments as regards the area under grains production, or the quantities of domestic production entering into commercial markets.

10. Not all delegations were as yet in a position to express clearly their views on the kind of commitments their Governments would presumably be prepared to envisage or the kind of commitments they would expect other delegations to consider.

11. A member of the Group expressed the view that the importing countries should be prepared to undertake substantial commitments which would represent real benefits to grain importing countries and which, to a certain extent, would correspond to the kind of commitments industrial exporting countries expected to receive in other fields in the trade negotiations. Since in the industrial field substantial tariff reductions were envisaged and since, in agriculture, non-tariff measures and not tariffs determined the degree of protection, the importing countries should be prepared to enter into meaningful discussions on key measures which affected production and trading possibilities.
12. Other members of the Group also felt that a contribution should be expected mainly from countries where through governmental measures production were maintained at an artificially high level. These countries might undertake certain commitments so as to maintain the levels of price support and to avoid encouraging and perpetuating production in excess of effective demand. Other countries might be possible with as commitments to exercise restraint on the support given to certain producers, for example, limiting support to a certain standard quantity. A combination of measures affecting production in importing countries might be envisaged which would keep production within certain limits so as to leave room for imported supplies. Where on the other hand in exporting countries producer prices were already low it did not seem feasible that these countries could contribute much to a solution of the problem through restraint on production, although this should be a matter for decision.

13. It was also suggested that importing countries should consider the feasibility of adopting such price and import policies and to conduct operations in such a way that access for the efficient producers, and preferably from such as maintained a certain level of limitation on the guarantees. Furthermore, the question of responsibility of the importing countries would not necessarily imply an unqualified commitment; they should be considered in relation to international trade.

14. It was further suggested that importing countries should exercise restraint on the support given to their producers and shape their policy so as to take into account the incomes of the principal grain supplying countries and to maintain a fair and reasonably balanced between domestic and imported supply, such as to ease present demand and future increasing demand.

15. One member of the Group expressed the view that his Government might not be able to undertake specific commitments so as to maintain the internal support price level or to create an artificial balance in favor of exported countries.

16. There seemed to be general agreement that, while the total effect of measures, including price measures and supply control, should be taken into consideration, it might not be necessary for all countries to undertake the same commitments or to use the same techniques. It could be envisaged that a series of understandings were reached relating to the various systems used in different countries. It would seem appropriate to maintain a certain room for manoeuvre, having regard to the commercial, political and social considerations of a particular country, provided that the aid results were adequate.

International Trade

17. The Group considered three aspects of international trade in cereals:

   (i) International prices

   (ii) Access

   (iii) Assurance of supply by exporting countries.

18. It was suggested that a general objective should be the avoidance of undue international price fluctuations arising in the short term, without setting the price pattern in such a way as to disrupt the ordinary play of forces of supply and demand. A related objective should be the assurance of international prices rising fair to consumers while providing a reasonable remuneration to efficient producers.

19. In this connection, since international prices were substantially below the price level of the bulk of total world production, consideration should be given to the question of narrowing the gap between international prices and internal prices, either by some diminution of the support level in importing countries, as suggested in the previous section, or by increasing the remuneration to efficient exporters or both.
20. Some members of the Group were not very much in favour of an artificial increase in world prices and suggested that already much would be gained if the artificial lowering of these prices through export subsidization practices were discontinued.

21. Some other members of the Group, while not disagreeing with the concept of somewhat higher international prices, stated that any future setting of an international price level should take into account specialization and optimum price conditions; such a price should therefore be established at a level as close as possible to that prevailing in efficient producer areas. It was also maintained that any increase in prices should be such as to avoid encouraging less efficient production in importing countries. If an increase in international prices were to have an impact on production in exporting countries, corrective measures might be considered.

22. Another member of the Group pointed out in this connection that a moderate increase in world market prices, which would bring these prices into a more reasonable relationship with internal prices in importing countries, would not normally be an incentive to production in those areas, since internal prices in importing countries in most instances were much higher than international prices and would therefore not be affected by an increase in world prices. Neither would a separate increase in world market prices have an appreciable effect on internal consumer prices and demand.

23. It was suggested that a negotiated international price might be considered as a concession in terms of the trade negotiations.

24. It was generally felt that the question of any increase in international prices could only be approached very cautiously. The effects of price increases on the balance-of-payments situation of importing countries should be duly considered, as well as the possibility of an impact on demand, particularly as regards grains for feeding purposes and as regards wheat in the case of those countries which constituted a commercial market and where the price elasticity of demand for wheat was generally high.

25. As to the means of improving the international price situation it was suggested that intermediate the following might be considered:

- Amendments gradually to eliminate export subsidies,
- The adoption of a precise price range by specifying in advance the price for the different qualities of wheat, wheat flour and the principal varieties of coarse grains,
- The adoption of effective procedures for enforcing such prices by requiring importing and/or exporting countries to take appropriate action when the agreed minimum price is not being or not likely to be observed either by other member countries failing to fulfill their obligations or by non-member countries,
- The question of stock policies as a means of stabilizing international prices.

26. Some members felt that the progressive elimination of export subsidies was a matter of great urgency.

27. There seemed to be general agreement that the question should be examined whether a system as employed under the International Wheat Agreement of maximum and minimum prices, within which range trade would take place, constituted a solid basis for the establishment of a similar system for other grains. Some doubts were expressed, however, since as for the IWA system had never been tested at the minimum price. There was a general feeling that although the present system of the IWA contained certain weaknesses, the possibility of eliminating these weaknesses should be explored and it was felt that the technical difficulties might not be insurmountable.

28. It was felt that one of the weaknesses was that under the IWA the price range related to one grade only; so that there existed a continuous uncertainty about the minimum price for other grades. The possibility of setting minimum prices for different qualities of wheat and of the main coarse grains should be considered. A separate problem was the relationship between various types of coarse grains. The necessity of regularly reviewing the price differentials was stressed.
29. It was also stated that in connexion with the question of price, there were two elements which had to be taken into consideration. These were firmly a technical and physical element, namely, the true quality of the grain, and secondly, a commercial element reflecting the supply and demand situation of a particular quality. As regards the second element, it was apparent that in many instances, the supply and demand situation at the world market price were distorted by export subsidization.

30. It was also suggested that the setting of a floor in the market would avoid the adverse effects of subsidized supplies entering the market. A minimum import price, predeterminated for each type of cereal and differing according to quality, would not necessarily have to be the same in all importing areas; the fact that such minimum import prices were necessary would allow both exporters and importers to take appropriate action to ensure that the prices were observed. The initial responsibility lay with the exporting countries to take the necessary action to keep prices above the minimum, but importing countries should be able to protect their own markets.

31. As regards stock policies it was pointed out that the maintenance of stocks at a realistic level contributed to the stabilization of prices while, on the other hand, the maintenance of stocks at too high a level constituted a continuous threat to the world market and had a disrupting effect on world prices. It was suggested that the possibility of confining stocks to certain maximum and minimum percentages should be considered.

(11) Access

32. The general objective of any arrangements on cereals as laid down by Ministers would be to create acceptable conditions of access to world markets for cereals in the framework of a significant development and expansion of world trade in cereals.

33. There seemed to be a general agreement that consideration should concentrate primarily on the price and support policies of the exporting countries which should be such as to create acceptable conditions of access. Secondly, questions such as the following were suggested for consideration:

- commitments that the flow of trade should not be unduly impeded by barriers at the frontier, and
- commitments on quantities to be imported.

The third question for consideration was the fact that increased supplies on the world market from exporting countries would exert a pressure in importing areas, and on the markets of other exporting countries.

34. Some members expressed the view that, in order to create acceptable conditions of access, measures at the frontier and internal measures should both affect domestic production in such a way as to leave room for trade with efficient outside producers in the sense of a share of the market for such producers and for an increasing share of markets where there existed opportunities for a growth in the market. In this connexion it was suggested that the respective share of the market should be related not to the total commercial purchases, as was the case under the present International Wheat Agreement, but to the level of total consumption. The view was also expressed that in order to preserve the expansion of international trade in cereals the greatest possible flow of this trade should be assured.

35. Other members of the Group expressed the view that, in aiming at acceptable conditions of access, the practical and political aspects of any commitments in respect of price and production policies and internal measures and measures at the frontier should also be taken into account. It was further emphasized that any expansion of trade should be an orderly expansion and that certain assurances from exporting countries regarding restraint in supplies might be appropriate for consideration.

36. One member of the Group expressed the view that his Government might not be in a position to undertake formal commitments in respect of access in quantitative terms, but since imports into his country were expected to rise considerably in the future, specific commitments would not seem to be called for.
37. There appeared to be a serious measure of agreement that once the objectives were precisely defined there would have to be reasonable assurances in advance that such objectives would be realized. Such assurances would not be meaningful unless they were accompanied by specific commitments that, if the provisions initially agreed upon did not lead to the results anticipated, appropriate corrective action would be taken. In this connection it was suggested that confrontation or consultation procedures could contribute to this end.

(iii) Assurances of supply by exporting countries

38. It was noted that under the present International Wheat Agreement exporting countries had undertaken certain commitments as to assure supplies of wheat and wheat flour to importing countries normally at prices within the price range. The question should be considered whether similar obligations would have to be included in any new arrangements.

Non-commercial disposals

39. The Group agreed that, where surpluses develop, consideration should be given to arrangements providing for their orderly disposal, having due regard to the possibility of using such surpluses for the benefit of developing countries. Such arrangements should have regard to the principles and guidelines established by the BMO, should involve as little as possible interference with the normal course of trade and should not cut across the present responsibilities of existing international organizations for food aid. In this context it should be considered whether all grain producers including importers as well as exporters should contribute to world food programmes.

Procedures

40. The Group agreed that, if the discussion of the points enumerated above lead to the conclusion of any arrangements, consideration would have to be given to the question of procedures for the effective implementation of such arrangements. Other points, such as institutions, the duration of any arrangements, membership, confrontation procedures would also have to be considered at a later stage. Another question was whether any arrangements would take the form of an international grain agreement or be formulated in some other way in the framework of the trade negotiations.

Group matters for discussion

1. It was pointed out that effective arrangements which would lead to acceptable conditions of access would be conducive to the optimum pattern of production and trade. It would, however, take time before the necessary adjustment of existing price levels and of other measures were brought about. During this interval care should be taken so as not to interrupt the normal flow of trade. Therefore the concept of maintenance of trade and assurance that the existing pattern of trade would continue were important. Commitments of this kind could consist of a variety of measures such as quantitative assurances, long-term contracts, assurances by importing countries as regards the maintenance of the present level of imports etc. Such commitments should be binding.

42. It was also suggested that it should be understood that governments participating in the negotiations should obtain from any measures which in the course of the negotiations might prejudice the trading position of any of their partners in the negotiations.

43. Other members of the Group felt that if it were considered that any such understanding might be appropriate, it should apply to the trade negotiations as a whole and would therefore have to be discussed outside the Group.

Next meeting

44. The Group agreed that, at its next meeting, it would have a substantive discussion on the basis of the various points mentioned above. This meeting might, in principle, last for several weeks and should start some time in September or October 1963 on a date to be set by the Chairman in consultation with members of the Group.
GENERAL AGREEMENT ON
TARIFFS AND TRADE

Note on General

NOTE ON THE POSSIBILITY OF ASSESSING THE ADDITIONAL
QUANTITIES OF GRAIN WHICH COULD BE DELIVERED TO THE MARKET
FORMERLY USED FOR CONSUMPTION

1. Preparing quantitative assessments of the additional quantities of grain which
could be released through non-commercial deliveries, either in the short run
or over a longer period of time, are not available in the secretariat at present.

As explained in greater detail below, such an assessment would have to
take into consideration not only requirements of low-income countries which result
from the gap between domestic production and consumption (as determined by the
socioeconomic absorptive capacity of the population of these countries and
the rate of economic growth) but also a wide range of other factors generally
of a more limiting nature. All these considerations require a thorough examina-
tion of specific conditions regarding supply and demand and their probable
development over a given period of time, as well as the transport and distribution
facilities, in individual receiving countries. Moreover, careful examination
has to be given also to other relevant factors such as the just played by food
aid in total economic aid received by individual countries, the effect on
commercial trade flows, etc.

The Study No. 1, now being undertaken under the World Food Program together
with a number of other studies related to problems of food aid, deals with the
"Demand for food and conditions governing food aid during development". According
to its preliminary outline, this study is to bring quantitative and qualitative

The Adv Hoc Group on Changing Attitudes toward SURPLUSES OF GRAIN
of the Concluding Sub-Committee on Surplus Disposal, in its report submitted by the
CDG to the CEP (PRO document CEP/26/50 of 10 April 1965) noted that:
"Although the Sub-Committee has been able to carry out its task satisfactorily,
the changing attitudes described in this study demonstrate the need for more
extensive and basic knowledge in order to facilitate the assessment of future
developments. The need for information on the potentialities and the
absorptive capacities of nations has already been pointed out in this report.
Such information will only be useful when seen against the background of studies
concerning the relationships of costs of surplus production, storage and dis-
tribution, the benefits likely to accrue from surplus use in recipient countries
and the comparative costs of alternative forms of aid, taking into account the
effects on commercial trade."

CONFIDENTIAL
Spec(1)86
12 November 1965
economic analysis to bear on the scope for food aid. These WFP studies which have been approved by the Intergovernmental Committee of the WFP start as soon as possible. It is hoped that all of these can be under way by early 1964 and it is planned to schedule them for completion towards the end of 1964.1

2. There have been already, however, various attempts made to indicate the orders of magnitude involved. Such indications can be found in studies relating in particular to the following:

(1) The FAO derived the balance between consumption and production in various areas of the world for 1970, under certain assumptions concerning the future growth in population and consumption per head of population, on the one hand, and in production, on the other hand. The summary of the projections for Europe for low-income countries is shown in Table 1.

(11) Various estimates exist as regards the state of under-nutrition, i.e., inadequacy in the quantity of calories intaken, and of malnutrition, reflecting inadequacy in the additional quality of the diet, existing at present and projected for the next decades. Evidence of under-nutrition in a great number of low-income countries can be found in the wide gap existing between the supply and requirements of calories in these countries; estimates thereof, for various low-income areas, were made after 1961 in the "Third World Food Survey"2 and are shown in Table 2. Moreover, in the same study, nutritional targets have been formulated for 1971 and 2000 in order to give an idea of this scope for improvement in the diet as the problems of poverty and scarcity become less acute. These targets, which concern not only level of calories intake but also an improvement in the composition of the diet, especially as regards the need for a substantial increase in the consumption of protein, are given in Table 3.

(111) In The World Food Budget 1963 and 1966 of the United States Department of Agriculture3, production, net exports or exports, utilization of supplies and consumption by commodities or groups of commodities were projected for 1962 and 1966 in about seventy developing and


3Assessment From Hunger Campaign Basic Study No. 11. FAO, Rome, 1963.


Table: Expected national average consumption levels, in terms of calories, and grams of protein and fat per person per day, were assessed against nutritional reference standards to simple cut countries with subsistence diets and to determine the extent of the food gap, i.e., how much additional food would be needed to raise average diets to nutritional reference standards. The projections of imports of wheat are reproduced in Table 4; according to the study (page 10), "these tonnages would permit slightly increased per capita consumption of wheat but would leave diets still short of the nutritional standards."

In a paper Potential Uses of Farm Products of Aid to Developing Countries by Messrs. W.W. Cochran, A.B. Heady and D.O. Chappell, the concept of the world food deficit is refined by distinguishing between nutritional deficits, as defined above, and economic deficits, resulting from the tendency for food demand to outstrip supplies during the early stages of economic growth, which must be met if developing countries are to experience a sustained rate of growth of their economies. In this paper developing countries are classified into two groups: a group that is presently experiencing little or no economic development, and a group that appears to have achieved a period of significant and sustained economic growth. The analysis of the world food situation by 1930 for these country groupings shows that the potential food deficit will increase to a dollar value of $4.5 billion for the first group and to $80.1 billion for the second group - an increase of nearly four-fold and ten-fold, respectively.

5. The other factors, apart from the requirements of developing countries resulting from both their nutritional and their economic deficits, which determine the quantitative assessment of additional quantities of grain abnormally through non-commercial deliveries, were adopted out and given careful consideration in the more thorough studies made in relation to problems arising from surplus disposal and to the role of food aid as part of aid for economic development by the FAO and the OECD.

In the already mentioned study of the FAO Agricultural Commodities - Projections for 1970 (p.1-78) the factors limiting the possibilities of food aid are envisaged as follows:

1Presented before the Annual Meeting of the Ameicn Farm Economic Association, August 1963, Minneapolis, Minnesota.
(a) the financial resources which high-income countries are prepared to earmark for the disposal of food surpluses on concessional terms as a supplement to other forms of economic aid, bearing in mind that, in the long term at least, many developing countries need capital equipment, e.g., for building fertilizer factories, even more than they need wheat or dairy products under special terms:

(b) the absorptive capacity of the low-income countries, not in the physiological sense, but in the sense that it is essential to avoid distorting the domestic market in those countries by creating incentives to increase their domestic market production:

(c) the facilities for processing and distributing the surplus commodities to consumers and their desirability as a supplement to the existing diet from the nutritional point of view.

In the report of the Ad Hoc Group on Changing Attitudes Toward Agricultural Surpluses already referred to, under the heading "Implications of the Changing Attitudes Toward Uses of Surpluses?", it is noted (p.30) that:

"A more comprehensive approach is needed to the appraisal of the total opportunities which exist for the utilization of surpluses. It is in no sense certain that the availability of certain agricultural commodities in a number of surplus producing countries is the only answer to the needs. Indeed, the efforts to dispose of existing surpluses to date, have been more in vain in matching the surpluses with sufficient readily available and acceptable outlets. In fact, at the present stage of the world economy in many of the less-developed countries, and in the light of the available administrative and distribution facilities, it is considered in some quarters that the present needs can be fully satisfied from existing sources of surplus availabilities. It would appear therefore to be desirable to study the extent of the actual requirements before setting out to create more surpluses. There is already much experience available in assessing needs and gauging the practicability of particular programmes but further study should be undertaken of the opportunities and the various types of commodities that are required."

In "Food Aid - its role in economic development" of the GTZ, which devotes particular attention to the ways in which food aid can contribute to economic development, considering also the problems which may arise for the agriculture and economy of the receiving country, the following conclusions are arrived at (pp. 12-13). After all:

"An analysis of food needs and availabilities indicates that for the next decade at least, and probably for much longer, the disparity in the food situation as between the low- and the high-income countries will persist. ... Increased attention might be given to the possibility of using extra supplies of grains for human consumption in under-developed countries so as to free their agriculture to raise more livestock, and to using supplies of coarse grains to keep up their level of animal protein consumption. Such programmes however involve careful planning and an assurance of continu-

The basic question is whether food aid is a desirable way of putting the productive resources of the developed countries at the disposal of the less-developed ones. The analysis of the present report suggests that this may be the case as long as the productive resources in the agriculture of the developed countries cannot easily be shifted to other uses. Countries with agricultural surpluses are prepared to give them as aid and in the short run may not be willing to give aid in other forms. Food aid may thus represent in the short run a net addition to the total amount of aid."

"....

"Food aid therefore cannot remove the need for other forms of aid to assist the country's development. There is, moreover, a certain relationship between the amount of aid that can usefully be given in food aid and in other forms. The exact nature of this relationship depends, in the first place, on the extent to which a given increase in investment raises food consumption and on the amount of additional food that can be supplied from domestic production and from food aid, and in the second place on the amount of overall aid necessary to finance the given increase in investment."

"In view of this close relationship it seems desirable that food aid should be more closely integrated in the development plans of receiving countries, where such plans exist, and also that there should be more provision than there is at present for co-ordination between food aid and other aid programmes."

"...."
### Table 1 - Tableau 1

**Summary of the Projections for Exports of Low Income Countries**

<table>
<thead>
<tr>
<th>Year</th>
<th>Projected</th>
<th>Consumption</th>
<th>Surplus/Deficit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1973-75</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1976</td>
<td>63</td>
<td>54</td>
<td>-18</td>
</tr>
<tr>
<td></td>
<td>96</td>
<td>71</td>
<td>-24</td>
</tr>
<tr>
<td></td>
<td>86</td>
<td>63</td>
<td>-22</td>
</tr>
<tr>
<td>Source grains - Cereals excl. cereals</td>
<td>80</td>
<td>93</td>
<td>+3</td>
</tr>
<tr>
<td></td>
<td>120</td>
<td>100</td>
<td>-20</td>
</tr>
<tr>
<td></td>
<td>125</td>
<td>119</td>
<td>+6</td>
</tr>
<tr>
<td>Rice - Riz</td>
<td>111</td>
<td>111</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>148</td>
<td>150</td>
<td>-2</td>
</tr>
<tr>
<td></td>
<td>173</td>
<td>187</td>
<td>+14</td>
</tr>
<tr>
<td>All grains - Tous les céréales</td>
<td>248</td>
<td>248</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>274</td>
<td>274</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>304</td>
<td>304</td>
<td>0</td>
</tr>
</tbody>
</table>

*Note: Data includes all low income countries excepting those in Asia, Africa excluding South Africa, and Latin America excluding Cuba, as well as most of the Caribbean islands. Data is also adjusted for population changes.*

**Sources:** FAO, Agricultural Commodity Projections for 1970, Table 4.
FAO, Agricultural Production Projections for 1970, Table 4.
Table 3 - Tableau 4 (continued - continu)

Table 3 - Tableau 4 (continued - continu)

Note: Population increases are projected as follows:

- Projections in the population in selected cases units:
  - Low-calorie countries, For East
  - High East
  - Africa
  - Latin America

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Low-calorie countries, For East</td>
<td>1078</td>
<td>1077</td>
<td>541</td>
<td>1537</td>
<td>1183</td>
<td>375</td>
<td>177</td>
</tr>
<tr>
<td>High East</td>
<td>188</td>
<td>141</td>
<td>75</td>
<td>180</td>
<td>142</td>
<td>257</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 4 - Tableau 4

Table 4 - Tableau 4


<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Latin America - Amérique latine</td>
<td>11.2</td>
<td>13.5</td>
<td>15.7</td>
<td>14.3</td>
<td>13.5</td>
<td>12.8</td>
<td>11.3</td>
<td>9.2</td>
</tr>
<tr>
<td>Africa - Afrique</td>
<td>7.6</td>
<td>10.4</td>
<td>5.0</td>
<td>7.9</td>
<td>12.5</td>
<td>2.1</td>
<td>1.9</td>
<td>1.3</td>
</tr>
<tr>
<td>West Asia - Asie de l'Ouest</td>
<td>11.0</td>
<td>13.5</td>
<td>11.7</td>
<td>13.7</td>
<td>12.9</td>
<td>12.0</td>
<td>11.0</td>
<td>10.1</td>
</tr>
<tr>
<td>For East - Est-Indonesie</td>
<td>23.3</td>
<td>43.0</td>
<td>15.3</td>
<td>78.5</td>
<td>41.4</td>
<td>16.5</td>
<td>31.3</td>
<td>24.5</td>
</tr>
<tr>
<td>Other Asia</td>
<td>25.7</td>
<td>78.5</td>
<td>28.5</td>
<td>70.2</td>
<td>13.2</td>
<td>5.4</td>
<td>4.8</td>
<td>5.2</td>
</tr>
<tr>
<td>Total</td>
<td>188.7</td>
<td>141.8</td>
<td>75.0</td>
<td>180.7</td>
<td>142.5</td>
<td>257.3</td>
<td>100.0</td>
<td>93.2</td>
</tr>
</tbody>
</table>

For East = East-Indonesia

GENERAL AGREEMENT ON
TARIFS AND TRADE

Group on Beverages

SUMMARY OF THE DISCUSSION OF 18-20 MARCH 1954

In the following table the secretariat has attempted to summarise the opinions expressed at the meeting of 18-20 March in the Group, as much as possible on similar points, referring broadly to the main headings:

- Domestic policies and access
- International prices

It should be noted that the table does not sufficiently reflect opinions expressed by representatives in general terms of support to other delegations.
The selection of potential projects should be based on a thorough analysis of their economic and environmental impact. It is crucial to consider the long-term sustainability and the potential for offsetting carbon emissions. Projects that have a high potential for carbon mitigation and a low environmental impact should be prioritized.

Projects should also be evaluated based on their potential to create employment and stimulate economic growth. It is important to ensure that the selected projects contribute to the development of local communities and support the growth of small and medium-sized enterprises. This will help to ensure that the benefits of the projects are widely distributed and that they contribute to the overall well-being of the region.

In addition, it is important to consider the potential for cross-border cooperation and collaboration. Projects that have the potential to contribute to regional economic development and promote cross-border cooperation should be prioritized. This will help to ensure that the benefits of the projects are not limited to individual countries but are shared among the countries in the region.

Finally, it is important to ensure that the selected projects are financially sustainable. Projects that have a high potential for generating revenue and are able to recoup their costs within a reasonable timeframe should be prioritized. This will help to ensure that the projects are self-sustaining and do not require ongoing subsidies or support from the government.
It is necessary to set up progressively the price differentials for the main qualities of wheat and the kinds of coarse grains.

A system like the one established under international wheat agreements, whereby export refunds are associated with certain other circumstances, such as the timing of delivery, should be considered.

The reference price is necessary to determine the support margin, but it is not to be linked with access commitments. Access is to be determined at the level of domestic support prices.

For the main qualities of about one kind of coarse grains prices differentials should be established. Under the new British system, minimum support prices have been progressively modified.

The United Kingdom is prepared to make any necessary adjustments if it should be found that the levels of the minimum support prices and the area averages are inappropriately differentiated in the established pattern of trade.

The United States may be prepared to consider undertakings to 'certain' major projects to stabilise consumption within the region.

Support by high domestic prices is desired to secure the benefits of World wheat and coarse grains agreements.

The United Kingdom would accept the importance of satisfactory provisions for the safeguard of its exports to the extent that domestic policies encourage production. This is an important factor for its access to commercial exports.

The United Kingdom would accept the improvement of satisfactory provisions for the safeguard of its exports to the extent that domestic policies encourage production. This is an important factor for its access to commercial exports.

The right way of approach would seem to be to reach agreement on certain objectives which would provide a reasonable balance between securing the benefits to the Community and the needs of the Member States. Having reached a definition of such objectives, measures of restraint and stimulus should be taken.

The United Kingdom would be prepared to accept certain commitments regarding its domestic trade policy on a basis of reciprocity.

The EEC is prepared to develop a reasonable price policy leading to a growth market.

The United Kingdom would be prepared to accept the principles of a demand-led RMA, subject to certain basic rules, such as to ensure a fair and reasonable balance between domestic and overseas supply. A meaningful RMA proposed on present levels of support would affect all supply sources and has elements of mutual advantage, including producer benefits.

The United States would be prepared to consider further agreements on domestic policies, but the fact that all major centres of agriculture can be concerned should be recognised in the discussions to be held with the United Kingdom and the United States. The United States Ministers will consider any kind of support arrangement which might be necessary.

The United States would be willing to consider arrangements of a different nature such as to limit price supports, to have other measures to limit production and consumption, to limit storage and surpluses.
<table>
<thead>
<tr>
<th>ASIA/AFRICA</th>
<th>AUSTRALIA</th>
<th>CANADA</th>
<th>EC</th>
<th>JAPAN</th>
<th>UNITED KINGDOM</th>
<th>UNITED STATES</th>
</tr>
</thead>
</table>

The arrangement should be effective in so far as an
expansion of the market can be maintained, and also as a
measure of control of imports. The structure of the
arrangement should be such as not to lead to any
increase in total imports instead of

\[ \text{Canada would expect from importers precise assurance of}
\text{importers' commitments to participate in any forecasted}
\text{growth in the present framework of imports and a}
\text{counterpart of exporters' undertakings to provide regularly}
\text{scheduled supplies; the terms of trade would be meaningful,}
\text{fair and predictable.} \]

The EC is in full

\[ \text{If these objectives are}
\text{not achieved, and if the}
\text{forecasted growth in trade}
\text{is not maintained at a level not appreciably lower than the average level in a}
\text{representative recent period, the United Kingdom would}
\text{consider it necessary to take such action as is necessary to}
\text{secure this objective.} \]

\[ \text{Le) Importing countries should establish imports at}
\text{levels equal to the average levels of recent representa-}
\text{tive periods. Such an approach should be to the mutual advantage of the}
\text{growth proportionate to the}
\text{increase in their total gross consumption.} \]

\[ \text{The import success is important in controlling imports. The agreement should agree to}
\text{arrange their domestic policies so that there is a}
\text{reasonable expectation of implementation by each country. The importing countries should agree to}
\text{take prompt and effective remuneration of}
\text{imports if}
\text{import levels are not maintained at the agreed levels.} \]
Discussions in the Group in the period 17 March to 3 April have significantly clarified the positions of member governments on each of the "elements" which, it had been agreed earlier, would be taken into account in an international grains arrangement and have revealed certain areas of possible agreement.

It is the considered view of the exporting countries, however, that further progress in the negotiation as a whole is dependent upon a narrowing of the basic differences which appear to exist in respect to the means and methods of giving effect to the objective set out in the Ministerial Resolution of May 1962 "to create acceptable conditions of access to world markets for cereals in furtherance of a significant development and expansion of world trade in cereals". Fulfilment of the objective will involve a satisfactory outcome to negotiations on all the elements previously agreed upon all of which are, of course, closely interrelated. But the fundamental issues are those concerning questions of domestic policies and assurances of export opportunities.

The position of exporters in respect to these vital questions can be stated clearly and simply:

(a) All contracting parties would undertake to so arrange their domestic cereals policies as to achieve the objectives established by GATT Ministries. The agreement itself and the obligations undertaken thereunder should represent GATT commitments and have the same validity and continuity as tariff bindings.
GENERAL AGREEMENT ON
TARIFS AND TRADE

GROUP ON CEREALES

LIST OF PRODUCTS

This draft list is submitted to the members of the Group on Cereals for their assistance in selecting and identifying products which they might consider it desirable to include in the negotiations of world arrangements.

10.01 Wheat and residuum
10.02 Rye
10.03 Barley
10.04 Oats
10.05 Raisin
10.07 Buckwheat, millet, canary seed and grain sorghum; other cereals

PRODUCTS OF THE MILLING INDUSTRY

11.01 Cereal flours
11.02 Cereal grains and cereal meal, etc.
11.05 Flour and meal of sago and of manioc, etc.
11.07 Malt, roasted or not
11.08 Starches; inulin
11.09 Gluten and gluten flour, roasted or not.

All parties should agree to progressively reduce export subsidies.
### Liste de produits

Ce projet de liste est soumis aux membres du Groupe des céréales au fin de sélection et d'identification des produits que le groupe entend mettre d'ensemble dans la négociation d'arrangements mondiaux.

<table>
<thead>
<tr>
<th>Céréales</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.01</td>
<td>Poudre et béton</td>
</tr>
<tr>
<td>10.02</td>
<td>Gaïe</td>
</tr>
<tr>
<td>10.03</td>
<td>Oats</td>
</tr>
<tr>
<td>10.04</td>
<td>Avoine</td>
</tr>
<tr>
<td>10.05</td>
<td>Homme</td>
</tr>
<tr>
<td>10.07</td>
<td>Barrie, éillet, alpiste, grains de sorgue et durs; autres céréales</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Produits de la minorité</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.01</td>
<td>Farines de céréales</td>
</tr>
<tr>
<td>11.05</td>
<td>Grumes, succédanés, etc.</td>
</tr>
<tr>
<td>11.06</td>
<td>Périphes et résidus de sorgo, de manioc, etc.</td>
</tr>
<tr>
<td>11.07</td>
<td>Huîts même torréfiés</td>
</tr>
<tr>
<td>11.08</td>
<td>Jus de céréales et fécules pures</td>
</tr>
<tr>
<td>11.09</td>
<td>Gluten et farine de gluten, même torréfiés</td>
</tr>
</tbody>
</table>
The country coverage of the arrangements may vary according to the product (para. 3).

Participation in the arrangements will be mandatory for all countries within the specified regions. Participating countries may contribute to a significant extent to international trade in cereals, but arrangements may not involve changes in existing arrangements. Such arrangements would require a major change in the negotiations (para. 3).

The conduct of domestic cereal policies by all countries should be examined (para. 3). Although the nature of these commitments varies significantly, the present system of international support and production limitation in each country would be effective in meeting the size of the arrangement.

The balance between supply and demand must be achieved jointly through the appropriate adjustment of production levels. The arrangements should be modified to the extent necessary in order to contribute to stable and efficient production levels (para. 6).

Domestic policies should be based on an agreed norm (para. 6). A "world base price + export margin" should be established. The price of wheat in world trade but which varies only as a device for measuring the levels of production or support.

The more pressing of present price support levels should not make a significant contribution to the overall objectives. It is necessary that seriously high price supports be reduced.

Any country assessing prices above the level of the world base price would undertake commitments to reduce and limit the difference.

The assumption would be made to maintain its production levels beneath the "world" national levels (para. 41).
The establishment of production control by means of export limitations is desirable. If such a system were instituted, the export of cereals should be limited. It is essential that the export situation should be communicated to the market with necessary dispatches. The agreed norm should be equivalent to the r.o.s. reference price. The agreement should be adhered to and any evidence of non-compliance should be referred to the appropriate authorities. The United Kingdom has undertaken the objective of maintaining a fair and reasonable balance between imports and exports. In order to achieve this objective, the United Kingdom has introduced measures intended to restrain financial inflows from the United States. Furthermore, the United States has introduced measures to counter the effects of the United Kingdom's measures. All major participants should make a contribution through effective measures of supply and marketing restraint. The United States has proposed an equality of effort to counter the effects of the United Kingdom's measures. At the same time, the United States would continue to use, as necessary, measures designed as compensatory for restricting production.
The particular position of Argentina which derives from its economic and financial difficulties, food shortages, and the need for development and the particular position of under-production in relation to its natural capacity, to some extent in past years, the difficulties of placing its products in an unfavorable market should adequately be considered.
Argentina would be ready to resume engagements in respect of the establishment of reasonable minimum import prices when the world steel agreement is put into effect. These minimum prices will be fixed by each country in consultation with the United Kingdom for efficient producers. In the case of imports entering the United Kingdom, the arrangements should provide for a minimum price to be fixed in consultation with the importing country, and the minimum price should be established by the International Trade Organization (para. 11). It is proposed that the system of minimum import prices and the method of fixing such prices should be in line with the arrangements for other steel products. A separate price should be established for each product. Importing countries should be permitted to purchase or sell at prices in accordance with the price range. The international reference price is an instrument for stabilizing prices in international trade (para. 12). There is to be a reference price system for non-member countries which would be established at a level not lower than the Internal reference price. A price range system (para. 13) should be established at a level not lower than the Internal reference price. A price range system should be established at a level not lower than the Internal reference price. The United Kingdom is willing to negotiate on the establishment of an international price range. An international price range could be established for wheat. The importers of wheat should agree to abide by the international price range. The international price range could be established for wheat. An international price range could be established for wheat. An international price range could be established for wheat. An international price range could be established for wheat. An international price range could be established for wheat. An international price range could be established for wheat. An international price range could be established for wheat.
<table>
<thead>
<tr>
<th>AFRICA</th>
<th>ASIA</th>
<th>EUROPEAN ECONOMIC COMMUNITY</th>
<th>JAPAN</th>
<th>UNITED KINGDOM</th>
<th>UNITED STATES</th>
</tr>
</thead>
</table>

**APPENDIX (cont.)**

The price range should reflect the actual demand/supply situation in world markets. The level of international prices should be set to reflect the actual demand/supply situation, and should be based on market forces. The level of international prices should be set to reflect the actual demand/supply situation, and should be based on market forces. The level of international prices should be set to reflect the actual demand/supply situation, and should be based on market forces.

In an alternative method of expressing floor prices, it would be desirable to have a reference price for marketing purposes, e.g. a reference price for storage, and a reference price for transportation. In this way, floor prices can be set to reflect the actual demand/supply situation, and should be based on market forces.

**APPENDIX (cont.)**

The price range should not be such as to make it necessary to provide a compensatory return to farmers, producers, and others. The price range should be set to reflect the actual demand/supply situation, and should be based on market forces. The price range should be set to reflect the actual demand/supply situation, and should be based on market forces.

There should be a sufficient range between minimum and maximum prices in order to avoid losses to operators in the event of changes in the supply/demand situation. The quality differentials should be established for the most important quality of wheat in international trade.

A system of variable prices places a definite limit on the extent to which an exporting country may influence markets and requires that a number of factors be considered in respect of non-food elements, such as credit terms (para. 23).

The operation of an effective system of variable prices would require meeting with trials and difficulties, but it would be possible to operate a variable price system within these limits (para. 23).
The establishment of trade arrangements on a multilateral basis, especially between countries which limit the possibilities of trade to their other markets, should be urgently considered. In this connection, it is important to ensure that the share of the markets presently enjoyed by imports is at least maintained, and that imports will share in the growth of consumption (para. 14).

The question of production patterns is critical for each country and the difficulties to apply the quantum to each country must be such as to maintain for imported cereal a fair proportion of the market (para. 15).

Trade flows envisaged in a world grain agreement should not be impeded by tariff and other customs charges and taxes. Qualitative restrictions should also be considered (para. 16).

Accordingly, quantitative restrictions, quotas, regulations and other restrictive measures should be removed. Certain, and the operation of State Trading agencies or otherwise, should be removed.

Canada is prepared to negotiate on the basis of a schedule of reciprocal removal of tariffs and nontariff barriers to trade in cereals.

Participating countries which agree to remove prohibitive or excessive duties on participating products, should be free to dispose of duties on products not traded in.

The parties to the agreement shall ensure the provisions of Article V, which prohibit the use of certain instruments and measures, including the greater tariff concessions (para. 19).

With regard to access terms for feeding purposes, tyres are to be raised for the present treatment except for feeding. Russia and Japan are prepared to remove this tariff, although Japan has no intention of altering the present treatment at these levels.

Japan is prepared to negotiate on the basis of a schedule of reciprocal reduction of duties on products not traded in.

In return for comparable action by the United Kingdom, the United Kingdom is prepared to negotiate reduction of duties on high wheat.
Argentina would be ready in principle to enter into an agreement as regards the stabilization of the financial effects accruing from the application of the above measures, in order to preserve the stability of the market.

In the absence of an effective system of control as regards the stabilization of the financial effects, the obligation to apply such measures as to discipline the positions of the market as to permit the continuity of supply and promotion of international trade (Para. 25).

Seek Policies

As long as the situation of the world market permits the application of such measures, the arrangements shall be undertaken to enable them to fulfill their obligations under the arrangements to supply on a regular and continuous basis the quantities required (Para. 8).

Each party shall determine the size of its own buffer stocks (Para. 9).

The upper limit of carry-over stocks of each country shall be fixed within the framework of the arrangement, taking into account the requirements of each country, including the requirements for buffer stocks and any foreseeable additional requirements (Para. 8).

These quantities to ensure the upper limit of the carry-over stocks at the end of the current year, less the buffer stocks, shall be deemed to constitute a surplus (Para. 9).

Argentina would be ready in principle to enter into an agreement as regards the stabilization of the financial effects accruing from the application of the above measures, in order to preserve the stability of the market.

In the absence of an effective system of control as regards the stabilization of the financial effects, the obligation to apply such measures as to discipline the positions of the market as to permit the continuity of supply and promotion of international trade (Para. 25).

Seek Policies

As long as the situation of the world market permits the application of such measures, the arrangements shall be undertaken to enable them to fulfill their obligations under the arrangements to supply on a regular and continuous basis the quantities required (Para. 8).

Each party shall determine the size of its own buffer stocks (Para. 9).

The upper limit of carry-over stocks of each country shall be fixed within the framework of the arrangement, taking into account the requirements of each country, including the requirements for buffer stocks and any foreseeable additional requirements (Para. 8).

These quantities to ensure the upper limit of the carry-over stocks at the end of the current year, less the buffer stocks, shall be deemed to constitute a surplus (Para. 9).
The establishment should be considered of a non-commercial programme for the provision of food aid, in addition to the current concessional loan facilities for the financing of export credits, as an essential part of the world food situation. Such a programme could help to alleviate the situation in developing countries and to avoid the problems of commercial transactions.

Argentina would be ready to participate in a non-commercial programme related to the provision of food aid and its coordination.

The parties of the arrangement are prepared to receive requests from the United Kingdom for the provision of food aid in the form of grants.

Problems of non-commercial programmes should be considered in other contexts. The United Kingdom is ready to examine proposals for food aid in the form of grants and should consider the extent that food aid is available for requests, in the form of grants, which should be determined on a case-by-case basis.

The United Kingdom would support an expansion of food aid programmes, subject to consultations with the United Kingdom on the programme.

As a large net importer of cereals, the United Kingdom is interested in reducing the non-commercial disposal of surpluses, but it subscribes to the generally accepted principle that such surpluses should be utilized to interfere with normal commercial trade.

The distribution of the grain under the programme would be subject to international agreements (e.g., World Food Program).

There should be broad participation in the programme by importers and exporters.
The principles which should apply to the negotiation of a concrete and manageable plan are as follows:

1. The financial cost of providing a significant share of the essential non-commercial requirements of the developing countries should be shared.
2. The volume of wheat to be supplied each year would be determined annually by joint consultation between the contributing and recipient countries. The guidelines for this consultation would be established by the World Bank and would be based on the total commercial surplus which individual developing countries might reasonably be expected to make as a prerequisite to becoming eligible for participation in the plan.
3. The plan would be available to all developing countries participating in the plan which were in a position to apply means to developing countries on concessional terms would share in proportions negotiated in advance the aggregate non-commercial requirements of the plan.
4. Exporters would receive for non-commercial supplies only part of the value of the wheat.
5. Wheat net of supplies under the plan would represent the total non-commercial outlet for wheat, except for that portion of existing non-commercial outlets which the World Bank and the International Wheat Council might release (on a non-returnable basis) to the importing country concerned.
6. Contributions to the Fund would be in cash, with the proportion of each country's contribution in the form of wheat rather than the total (para. 41).
7. The total volume of wheat to be supplied under the auspices of the Fund would be shared among contributors according to a scale negotiated (para. 42).
8. In view of the multi-lateral character of the arrangements the arrangements should be based on a large volume of non-commercial transactions.
Proposal to Establish a Working Party

In the course of the current series of meetings a number of important issues and proposals have been raised which are fundamental to the future negotiations in the Cereals Group and which need to be elaborated and clarified. In order to expedite the work of the Cereals Group it is proposed that a Working Party should be established immediately for the purpose of preparing factual reports and with the following terms of reference:

To examine and report

(i) on the levels of return to producers, including direct and indirect subsidies, subventions and other relevant arrangements, in the major exporting and importing countries in relation to actual prices for wheat traded internationally over a representative period;

(ii) on the probable effects on production, marketings and market access of commitments offered with respect to domestic policies by the countries participating in the current negotiations;

(iii) on alternative bases for fixing an international reference price with particular emphasis on the possible effects upon the competitive position of all wheat traded on world markets;

(iv) on the possibility of determining a scale of quality differentials for the various qualities of wheat;
(v) on the possibility of determining the relationship between prices of wheat and the principal coarse grains;

(vi) on the scope and the methods proposed for utilizing wheat surplus to normal commercial requirements as food aid with special attention to the following:

- estimates of the wheat needs of the less-developed members of the United Nations in each of the next 5 years on the basis of information available to the FAO, International Wheat Council and other relevant sources;

- on the assumption that an international programme can be developed within the context of a cereals arrangement, alternative bases of participation having regard to the United States offer to contribute 40 per cent of the programme in kind discounted in value in comparison with world export prices;

- the institutional arrangements required to operate the programme and the role of existing organizations concerned with the provision of aid such as the World Food Program in the formulation and administration of the programme;

- the assumption that production and/or marketings of countries participating in any wheat arrangement will be effectively limited to commercial demand from countries embraced by the arrangements plus multilaterally controlled production for food assistance.
Group on Cereals

DRAFT LETTER OF INVITATION TO MEMBERS OF INTERNATIONAL WHEAT AGREEMENT, NOT CONTRACTING PARTIES

Sir,

In accordance with a request by the GATT Group on Cereals I, as the Group's Chairman, have the honour to address you on the subject of the negotiations currently being conducted by the Group and aiming at the establishment of a general arrangement on cereals. These negotiations are taking place in the context of the GATT Trade Negotiations (the so-called Kennedy Round) and have now reached the stage where the Group feels that their content should be drawn to the attention of governments which are not participating in the Kennedy Round but whose interest in grains trade is manifested, in particular, by their membership of the International Wheat Agreement.

The negotiations on cereals started in the course of 1963 and cover wheat and wheat flour and the principal coarse grains. They were held, bearing in mind the primary objective laid down in the Ministerial Resolution, namely to create acceptable conditions of access to world markets for cereals in furtherance of a significant development and expansion of world trade. A copy of the Ministerial Resolution, in which the objectives of the negotiations and the establishment of the Group on Cereals is set out, is attached to this letter.

In order to give effect to this objective, certain basic principles relating to the cereals negotiations which are an integral part of the Kennedy Round were agreed. These principles are:

(a) Internal support policies for grains are a critical element influencing world grain trade and the world cereals economy, including the level of international prices and therefore these matters are central in the negotiations.
(b) All participating countries producing grains should consider the assumption of obligations and commitments with regard to grain trade policies.

c) The action to be taken by any country, while directed to the common objective, may vary with the particular circumstances of that country. However, it was to be expected that appropriate commitments would be undertaken by all participants and that the reciprocal nature of these commitments would be of the same order in each case.

In the light of these basic principles, it was agreed that the following elements would be appropriate for discussion and negotiation: domestic policies, access, international prices and non-commercial disposals.

With respect to each of these elements, specific proposals and commitments were tabled in May 1965 by: Argentina, Australia, Canada, the European Economic Community, Japan, Switzerland, the United Kingdom and the United States. Subsequently, Denmark and Norway and, recently, also Sweden have put forward their proposals regarding each of these elements. It is this group of countries which now constitutes the Group on Cereals and is conducting these negotiations.

After the tabling of the proposals, the negotiations were gradually intensified in order to meet the target date for finalizing the Kennedy Round negotiations, i.e. 30 June 1967. The negotiations have now reached the stage where a summary description of the overall situation can be given.

As regards domestic policies, there is general consensus that countries should have the choice of selecting a type of commitment which is most appropriate to its domestic situation. Some countries have offered to bind the present level of their domestic support price or not to increase the level of their domestic support price above a certain limit which still has to be negotiated. Other countries feel that such a commitment is not appropriate to their internal circumstances; they therefore, offer commitments equivalent in effect and relating to the various elements of their support...
other countries offer such conditions of access that a certain discipline in the application of their production policies is implied. The negotiations in this field are now directed towards bringing more precision in each country’s position.

As regards international prices, there is general agreement that the new Arrangement should provide for a minimum price and a maximum price at least for wheat. Both exporters and importers will undertake not to trade wheat with any country below the minimum price. This requires the establishment of price equivalents according to geographical location and quality differentials for the various types and grades of wheat. Certain proposals have been made as to the level of the minimum price and the range between the minimum and maximum price, but substantive negotiations on this issue are still to be expected.

There are also proposals on the table aiming at a stabilization of the world market through the operation of a self-sufficiency ratio. The self-sufficiency ratio is the ratio between domestic production and domestic utilization for all grains.

The Group is still actively engaged in discussing the implications of the self-sufficiency ratio concept and, in particular, whether it should be applied to exporters in the same manner as to importers; whether it should be linked with an undertaking on the part of importers to import a certain minimum quantity; and whether alternative commitments aimed at stabilizing the market could or should be available for importers unwilling to enter into obligations on their self-sufficiency ratios.

Another important element in the discussions is the question of non-commercial disposals and food aid. Some countries propose that in addition to existing programmes much more can be done in this field and that not only exporting countries but also importing countries should contribute to such programmes.

While there are still very important issues unresolved at the present stage, it is most likely that if, eventually, agreement is reached, the new arrangement will have an important impact on international trade in wheat and coarse grains and may replace the present International Wheat Agreement.
These factors make it essential, in the view of the Group, that countries interested in international trade in wheat or coarse grains, as an importer or as an exporter, but not associated so far with the negotiations, should be given an early opportunity to examine the basic principles of an eventual agreement and to consider the question to what extent their trade in grains may be affected by such agreement.

I hope that the information I have provided will enable you to determine the extent to which your interests are engaged in the negotiations on cereals. At the request of the Group, I would propose that, should your government so wish, discussions be held between representatives of your government and myself, in my capacity as Chairman of the Group, with the aim of agreeing on procedures satisfactory to your government and the Group, for the consideration of your interests in the negotiations and the adhesion of your government to a new arrangement. In view of the acceleration in the pace of the negotiations on cereals, I should be grateful for your reaction to my proposal at your earliest convenience.

Accept, Sir, etc...
PART I - GENERAL

Article 1  Objectives

The objectives of this Arrangement are:

1. to promote a better balance between world supplies of grains and commercial and non-commercial demand;

2. to assure a greater measure of stabilization of international grains prices at equitable and remunerative levels satisfactory to producers and consumers in participating countries;

3. to create acceptable conditions of access to world markets for grains in furtherance of a significant development and expansion of international trade in grains;

4. to assure regular and adequate supplies of grains to importing countries at equitable and stable prices;

5. to assure the fair and orderly disposal of any surpluses of grains supplies;

6. to contribute to a regular supply of grains to meet the needs of developing countries, and

7. in general to provide for the broadest possible multilateral co-operation between the participating countries in connexion with international grains problems and for the purpose of a proper functioning of the Arrangement.

Article 2  Definitions

1. For the purposes of this Arrangement:

"Balance of Commitment" means the amount of wheat which an exporting country is obliged to make available at not greater than the maximum price under Article 7, that is, the amount by which its datum quantity with respect to importing countries exceeds the actual commercial purchases from it by those countries in the crop year at the relevant time;
"Balance of Entitlement" means the amount of wheat which an importing country is entitled to purchase at net greater than the maximum price under Article 11, that is, the amount by which its datum quantity with respect to the exporting country or countries concerned, as the context requires, exceeds its actual commercial purchases from those countries in the crop year at the relevant time;

"Carrying charges" means the costs incurred for storage, interest, and insurance in holding wheat;

"Certified seed wheat" means wheat which has been officially certified according to the custom of the country of origin and which conforms to recognized specification standards for seed wheat in that country;

"c. a. f." means cost and freight;

"Crop year" means the period from 1 July to 30 June;

"Datum quantity" means:

1. in the case of an exporting country, the average annual commercial purchase from that country by exporting countries during the years determined under Article 16;

2. in the case of an importing country, the average annual commercial purchases from exporting countries or from a particular exporting country, as the context requires, during the years determined under Article 16;

"Exporting country" means, as the context requires, either:

1. the Government of a country listed in Annex ... which has accepted or succeeded to this Arrangement and has not withdrawn therefrom; or

2. that country itself and the territories in respect of which the rights and obligations of its Government under this Arrangement apply.

"F. a. s." means free on board ocean vessel or sea-going vessel, as the case may be, and in the case of French wheat delivered at a French port, free on board river steamer;

"Importing country" means, as the context requires, either:

1. the Government of a country listed in Annex ... which has accepted or succeeded to this Arrangement and has not withdrawn therefrom; or

2. that country itself and the territories in respect of which the rights and obligations of its Government under this Arrangement apply.

"Marketing costs" means all usual charges incurred in marketing, chartering, and forwarding;

"Maximum price" means the maximum prices specified in or determined under Articles 9-11 or one of those prices, as the context requires;

"Minimum price" means the minimum price specified in or determined under Articles 9-11 or one of those prices, as the context requires;

"Price range" means prices between the minimum and maximum prices specified in or determined under Articles 9-11, excluding the minimum price but excluding the maximum price;

"Purchase" means a purchase for import of grains exported or to be exported from an exporting country or from other than an exporting country, as the case may be, or the quantity of such grains as purchased, as the context requires. Where reference is made in this Arrangement to a purchase, it shall be understood to refer not only to purchases concluded between the Governments concerned but also to purchases concluded between private traders and to purchases concluded between a private trader and the Government concerned. In this definition "government" shall be deemed to include the Government of any territory in respect of which the rights and obligations of any Government accepting or acceding to this Arrangement apply under Article 33;

"Territory" in relation to an exporting or importing country includes any territory in respect of which the rights and obligations under this Arrangement of the Government of that country apply under Article 33;

2. All calculations of the wheat equivalent of purchases of wheat-flour shall be made on the basis of the rate of exchange indicated by the contract between the buyer and the seller. If no such rate is indicated, seventy-two units by weight of wheat-flour shall, for the purpose of such calculations, be deemed to be equivalent to one hundred units by weight of wheat grains unless the Council decides otherwise.

Article 3 Commercial and special transactions

1. A commercial transaction for the purposes of this Arrangement is a transaction which conforms to the usual commercial practices in international trade and does not include those transactions referred to in paragraph 2 of this Article.
2. A special transaction for the purposes of this arrangement is one which, whether or not within the price ranges, includes features introduced by the government of a country concerned which do not conform with usual commercial practices. Special transactions include the following:

(a) sales on credit in which, as a result of government intervention, the interest rate, period of payment, or other related terms do not conform with the commercial rates, periods or terms prevailing in the world market;

(b) sales in which the funds for the purchase of grains are obtained under a loan from the government of the exporting country tied to the purchase of grains;

(c) sales for resumption of the importing country which is not transferable or convertible into currency or gold for use in or by the exporting country;

(d) sales under trade agreements with special payment arrangements which include clearing accounts for settling credit balances bilaterally through the exchange of goods (except where the exporting country and the importing country concerned agree that the sale shall be regarded as commercial);

(e) barter transactions

(i) which result from the intervention of governments where grains are exchanged at other than prevailing world prices, or

(ii) which involve sponsorship under a government purchase program, except where the purchase of grains results from a barter transaction in which one country of final destination was not named in the original barter contract;

(f) a gift of grains or a purchase of grains out of a monetary grant by the exporting country made for that specific purpose;

(g) any other categories of transactions that include features introduced by the government of a country concerned which do not conform with usual commercial practices, as the Council may prescribe.

3. Any question raised by the appropriate institution or by any exporting or importing country as to whether a transaction is a commercial transaction as defined in paragraph 1 of this article shall be decided by the Council.

Article 4 - Coverage

1. The arrangement shall apply to the following products, not including seeds:

- Wheat (soft wheat, hard wheat, durum)
- Rye
- Barley
- Oats
- Malt
- Sorghum
- Wheat flour

2. The arrangement shall apply to other grains, meal of other grains and by-products whose inclusion would be necessary for the proper operation of the arrangement on the major grains and wheat flour markets.

Article 5 - Internal price and support policies

1. The participating countries listed in Annex A and B to this arrangement undertake in respect of their national grains policy, either individually or by groups of countries, to limit the areas of support or protection provided by each policy, or alternatively to implement such policies in a manner as described in paragraph 2 hereafter, relating to the total effect of the various elements of support or protection provided by each policy, or alternatively to implement such policies as described in paragraph 2 hereafter, relating to all relevant elements of support or protection.

2. The participating countries listed in Annex A to this arrangement undertake to limit producer's returns as specified in that Annex to the level existing on 30th June of this engagement, except that those countries whose level is below the equivalent of the maximum prices referred to in Articles 9 and 11 may raise it to that level but not beyond.
3. The participating countries listed in Annex B to this Arrangement undertake, with respect to the instruments of internal policy identified for each of them in that Annex, commitments specified in that Annex equivalent to their effect on the commitments undertaken under paragraph 2 of this Article.

INTERNATIONAL PRICES

Article 6 Commercial transactions within the price range

1. Each exporting country undertakes that not less than the percentage specified for that country in Annex C of its total commercial purchases of wheat and of coarse grains in any crop year shall be purchased from exporting countries.

2. Exporting countries undertake, in association with one another, that grains from their countries shall be made available for purchase by importing countries in any crop year at prices not higher than the maximum price in quantities sufficient to satisfy on a regular and continuous basis, the commercial requirements of those countries, except when a maximum price declaration is in effect in respect of an exporting country, in which case the provisions of Article 7 below shall apply to that country.

3. For the purposes of this Arrangement, except as provided in Article 7 below, any grains purchased from an exporting country by a second importing country which originated during that crop year from an exporting country shall be deemed to have been purchased from that exporting country by the second importing country.

Article 7 Purchases at the maximum price

1. If the Council makes a maximum price declaration in respect of an exporting country, that country shall make available for purchase by importing countries at not greater than the maximum price its balance of commitments towards those countries to the extent that the balance of entitlement of any importing country with respect to all exporting countries is not exhausted.

2. If the Council makes a maximum price declaration in respect of all exporting countries, such importing country shall be entitled, while the declaration is in effect:

(a) to purchase from exporting countries at prices not greater than the maximum price its balance of entitlement with respect to all exporting countries;

(b) to purchase grains from any source without being regarded as committing any breach of Article 6, paragraph 1, of the Arrangement.

3. If the Council makes a maximum price declaration in respect of one or more exporting countries, but not all of them, each importing country shall be entitled while the declaration is in effect:

(a) to make purchases under paragraph 1 of this Article from such one or more exporting countries and to purchase the balance of its commercial requirements within the price range from the other exporting countries, and

(b) to purchase grains from any source without being regarded as committing any breach of Article 6, paragraph 1, to the extent of its balance of entitlement with respect to such one or more exporting countries as at the effective date of the declaration, provided such balance is not larger than its balance of entitlement with respect to all exporting countries.
Buyers by any importing country from an exporting country in excess of the balance of entitlement of that importing country with respect to all exporting countries shall not reduce the obligation of that exporting country under this Article. The provisions of Article 6, paragraph 3, above shall apply to this Article provided the balance of entitlement of any importing country with respect to all exporting countries is not thereby exceeded.

5. In determining whether it has fulfilled the required percentage under Articles 6, paragraph 1, purchases made by any importing country while a maximum price declaration is in effect, subject to the limitations in paragraphs 2(b) and 3(c) of this Article,

(a) shall be taken into account if these purchases were made from any exporting country, including an exporting country in respect of which the declaration was made, and

(b) shall be entirely disregarded if these purchases were made from a country other than an exporting country.

Article 8: Observance of minimum prices

1. Participating countries undertake, subject to the provisions of Articles 9, not to fail or purchase grains to or from any market at prices lower than the minimum prices determined in accordance with Articles 9 and 11.

2. To this end each exporting country shall take all appropriate measures and shall apply the specific instruments of its agricultural and commercial policy in such a way as to ensure that with respect to commercial exports of grains from its territory to any other country the minimum prices determined in accordance with the provisions of Articles 9 and 11 are observed.

3. Each importing country shall, when commercial supplies of grains are made available for purchase at prices below the equivalent minimum prices determined for the exporting country concerned, impose such compensatory levies as may be necessary to maintain the level of the minimum prices.

Article 9: Prices of wheat

1. (a) The basic minimum and maximum prices for the duration of this arrangement shall be:

<table>
<thead>
<tr>
<th>Commercial variety</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard winter</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary wheat</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. 1 Hard Winter</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary wheat</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian currency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>United States currency</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

   (b) Certified seed wheat is excluded from the provisions relating to minimum price.

   (c) Selling charges as agreed between the buyer and the seller may accrue for the buyer's account only after an agreed date specified in the contract under which the wheat is sold.

2. The equivalent maximum price for bulk wheat for:

   (a) No. 1 Manitoba Northern wheat f.o.b. St. Lawrence.
   (b) No. 1 Manitoba Northern wheat f.o.b. Vancouver.
   (c) Argentine wheat in store ocean ports.
   (d) F.o.b. Australian wheat in store ocean ports.
   (e) French wheat on ex-parte or on description f.o.b. French ports or at the French border (whichever is applicable).
   (f) Italian wheat on ex-parte or on description f.o.b. Italian ports or at the Italian border (whichever is applicable).
   (g) ... etc.
shall be the price equivalent to the c. & f. price in the country of destination, or the c. & f. price at an appropriate port for delivery to the country of destination, of the maximum price for No. 1 Hard Winter ordinary wheat F.O.B. Gulf/Atlantic ports of the United States of America specified in paragraph (1) of this Article, excepted by using currently prevailing transportation costs and exchange rates and by making such allowance for difference in quality as provided in paragraph (5) of this Article.

3. The equivalent minimum price for bulk wheat for
   (a) No. 1 Hard Winter wheat F.O.B. Lawrence,
   (b) No. 1 Hard Winter wheat F.O.B. Vancouver,
   (c) Argentine wheat F.O.B. Argentina,
   (d) F.O.B. wheat F.O.B. Australia,
   (e) French wheat on angle or on description F.O.B. French ports or at the French border (whichever is applicable),
   (f) Italian wheat on angle or on description F.O.B. Italian ports or at the Italian border (whichever is applicable),
   (g) ... etc.

shall be the price equivalent to the c. & f. price in the country of destination, or the c. & f. price at an appropriate port for delivery to the country of destination of the minimum price for No. 1 Hard Winter ordinary wheat F.O.B. Gulf/Atlantic ports of the United States of America specified in paragraph (1) of this Article, computed by using currently prevailing transportation costs and exchange rates and by making such allowance for difference in quality as provided in paragraph (5) of this Article.

4. Quality equivalent shall be established for all the same classes and grades of wheat which shall take account of their relative market values at both the maximum and the minimum at least six months in advance to this Article.

NOTE: A separate formula would be used if e.g., No. 1 Hard Winter was selected as the reference wheat. It being understood in this case that transportation costs would include Canadian internal transportation costs. In this case it would also be desirable to add paragraph (4) of Article 6 of the present Wheat Agreement which states:

"For the period of closed navigation between Port Arthur/Potent Arthur and the Canadian Atlantic ports, equivalent maximum and minimum prices shall be determined by reference only to the lake and rail premium of wheat from Port Arthur/Potent Arthur to Canadian winter ports."
4. The contribution, to the stabilisation of the market of an importing country, also has exceeded its self-sufficiency ratio, is determined by the quantities of grains corresponding to the extent by which that country's self-sufficiency ratio has been exceeded. Such quantities of grains may not be the subject of general transactions, as defined in Article 5 of the Arrangement. Any importing country that has exceeded its self-sufficiency ratio shall submit a proposal of consultations on such measures as may be appropriate to stabilise the market, including measures in pursuance of Article 14.

5. For the purpose of this Arrangement any quantities in excess of the upper limit of carry-over stocks as provided for in paragraph 3 of the present Article at the end of each crop year and in respect of each exporting country listed in Annex B shall be deemed to constitute "surpluses", to the extent that such country has exceeded the self-sufficiency ratio determined in Annex B to this Arrangement. At the end of each crop year the appropriate institution shall颁发 in respect of each exporting country the amount of the quantities deemed to constitute surpluses. Such surpluses and likewise those existing at the time of conclusion of the Arrangement may not be disposed of on any other terms.

6. The self-sufficiency ratio may exceptionally be adjusted at the end of each crop year, within the framework of the consultations provided in Article 18, to take account of any increase in demand and in particular to the opening of new commercial markets.

Title 12 Principles relating to special transactions

1. The participating countries undertake that, in carrying out special transactions as defined in paragraph 3 of Article 5 of this Arrangement, they will exercise adequate regard to the effect on the commercial transactions of other participating countries, so as to avoid causing damage to their interests.

2. In the observance of the undertaking given in paragraph 1 above, parties to the Arrangement will be guided, wherever applicable, by the principles of surplus disposal recommended by FAO, as incorporated in Annex B.

Title 13 Multilateral food aid

Note: In this Article provisions should be kept out designed to ensure the supply of a minimum quantity of grains normally for distribution to the developing countries to meet demands which cannot be met by normal commercial transactions. The parties would avail themselves to work out through the appropriate international machinery the modalities for the financing and distribution of these supplies.
It should also be indicated that countries which produce surpluses as defined in the Arrangement could, as a contribution to stabilizing the market, devote such surpluses in discharge of their commitments to food aid or in supplement thereof.

The appropriate institution should forthwith seek collaboration with the appropriate international organizations with a view to the implementation of these provisions.

PART III - ADMINISTRATION OF RIGHTS AND OBLIGATIONS

Article 15 Performance under Article 5
Article 16 Performance under Articles 6-11
Article 17 Consultations
Article 18 Performance under Article 19
Article 19 Performance under Articles 13-18

PART IV - ANNUAL REVIEW

Article 20

PART V - GENERAL ADMINISTRATION

Article 21 Constitution of the Council of the Arrangement
Article 22 Powers and functions
Article 23 Votes
Article 24 Seat, sessions and quorum
Article 25 Decisions
Article 26 Executive Committee
Article 27 Advisory Committee on Observance of Commitments
Article 28 Advisory Committee on Prices
Article 29 Secretariat
Article 30 Co-operation with other international organizations

PART VI - FINAL PROVISIONS

Article 31 Signature, acceptance, accession and entry into force
Article 32 Duration, amendment and withdrawal
Article 33 Territorial application

Annexes
ANNEX A

(Article 5, Paragraph 2)

1. For countries referred to in Article 5, paragraph 2(a) the maximum average producer's return as far as for each grain shall be:

<table>
<thead>
<tr>
<th>Country</th>
<th>Equivalent Reference Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td></td>
</tr>
<tr>
<td>etc.</td>
<td></td>
</tr>
</tbody>
</table>

2. For countries referred to in Article 5, paragraph 2(b) the maximum average producer's return as far as for each grain is:

<table>
<thead>
<tr>
<th>Country</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>...</td>
</tr>
<tr>
<td>Switzerland</td>
<td>...</td>
</tr>
<tr>
<td>etc.</td>
<td></td>
</tr>
</tbody>
</table>
### ANNEX B

**Article 5, paragraph 3**

- **United Kingdom**
- **United States**
- **Australia**
- **Japan**
- **European Economic Community**
- **Canada**
- **Argentina**
- **Switzerland**
- **Denmark**
- **Norway**

#### Standard quantity - guaranteed price

- Certificates - base price (1.50) export subsidy
- Quantity
- Guaranteed price
- Levy - threshold price - direct aids - refunds
- Guaranteed price - direct aids
- Mixing regulation - guaranteed price
- Levy

### ANNEX C

**Percentage Constituent of Importing Countries**

**Article 6 Paragraph (1)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>70</td>
</tr>
<tr>
<td>Brazil</td>
<td>30</td>
</tr>
<tr>
<td>India</td>
<td>70</td>
</tr>
<tr>
<td>Egypt</td>
<td>80</td>
</tr>
<tr>
<td>China</td>
<td>90</td>
</tr>
<tr>
<td>etc.</td>
<td></td>
</tr>
</tbody>
</table>
### APPENDIX D

**Upper Limit of Carry-Over Stocks of Exporting Countries**
(Article 12, paragraph 5)

<table>
<thead>
<tr>
<th>Country</th>
<th>1962/63</th>
<th>1963/64</th>
<th>1964/65</th>
<th>Average self-sufficiency rate a</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 July-30 June</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening stocks</td>
<td>35</td>
<td>65.3</td>
<td>101.3</td>
<td></td>
</tr>
<tr>
<td>Production</td>
<td>39.8</td>
<td>120.6</td>
<td>169.4</td>
<td></td>
</tr>
<tr>
<td>Imports</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td></td>
</tr>
<tr>
<td>Domestic consumption</td>
<td>15</td>
<td>110.2</td>
<td>126.2</td>
<td></td>
</tr>
<tr>
<td>Exports</td>
<td>17.5</td>
<td>15.7</td>
<td>33.2</td>
<td></td>
</tr>
<tr>
<td>Closing stocks</td>
<td>23.5</td>
<td>58.2</td>
<td>90.7</td>
<td></td>
</tr>
<tr>
<td>Self-supply rate</td>
<td>1.06</td>
<td>1.07</td>
<td>1.16</td>
<td>1.17</td>
</tr>
</tbody>
</table>

| 1000 tons |

Note: Opening stocks, etc.
PROPOSAL TO GROUP ON CEREALES FROM THE CHAIRMAN

As we approach the final stages of the negotiations it is I think necessary for the Group to give some thought to the procedure for broadening participation in an eventual Cereals Arrangement. It has been my understanding that the view of the Group is that the Arrangement should be subscribed to by as many as possible of the participants in the trade negotiations. The first step would perhaps be to draw up a list of the participants in the trade negotiations whose adherence to the Cereals Arrangement would be considered essential or desirable. Once members of the Cereals Group have agreed upon and initial a draft containing the essentials of the Arrangement, the other countries on the list so established should be invited to adhere to the Arrangement on appropriate terms to be worked out between them and the original participants. These terms could be included as annexes to the Arrangement. In addition, the Arrangement should contain a provision providing for the accession of other countries, whether participants in the trade negotiations or not. This should provide for accession on terms to be agreed between the participants and the accerrer. An invitation to accede should be sent as early as possible to all parties to the International Wheat Agreement which are neither original parties to the Cereals Arrangement nor bound by the procedure for adherence described above.

In the meantime all participants to the trade negotiations should be kept as closely informed as possible of the evolution of the negotiations on cereals, and individual countries should be given an opportunity of expressing their views if they so wish to the Cereals Group. As regards countries outside the trade negotiations, there would be advantage in keeping the more important of them informed of what is going on either through diplomatic channels or by means to be developed by the secretariat.
ACCORD GÉNÉRAL SUR LES TARIFS DOUXEURS
EN LE COMMISSAIRE
21 octobre 1966
Groupe des céréaliers

PROPOSITION DU PRÉSIDENT DU GROUPE DES CÉRÉALIERS

En se basant proche des études ultérieures des négociations, je pense qu'il importe que le Groupe se préoccupe d'une procédure qui permettrait d'aligner la participation à un Arrangement éventuel sur les céréales. Je crois comprendre que le Groupe est d'avis que l'Arrangement devrait recueillir la signature du plus grand nombre possible de participants des négociations commerciales. La première étape à prendre consisterait peut-être à établir une liste des participants des négociations commerciales dont l'adhésion à l'Arrangement sur les céréales serait considérée comme essentielle ou substantielle. Dès que les noms du Groupe des céréaliers se seraient mis d'accord sur un projet réunissant les éléments essentiels de l'Arrangement et auraient convenu sur ce projet, les autres pays de la liste en question seraient invités à y donner leur adhésion sous des conditions appropriées qui seraient définies entre eux et les participants initiaux. Ces conditions seraient incorporées à l'Arrangement sous forme d'annexe. L'Arrangement contiendrait en outre une disposition qui permettrait l'accès à d'autres pays participant ou non aux négociations commerciales. Aux termes de cette disposition, les conditions d'accès devraient céder partis entre les participants et l'accédant. Une invitation à accéder devrait être adressée simultanément à tous les pays parties à l'accord international sur le blé qui ne seraient pas au nombre des parties initiales à l'Arrangement sur les céréales et qui n'enverraient pas dans le champ d'application de la procédure d'accès ci-dessus.

Antre-temps, il conviendrait que tous les pays qui participent aux négociations commerciales soient tenus aussi étroitement que possible au courant de l'évolution des négociations sur les céréales et que chaque pays apprécie l'occasion, s'il le désire, de faire part de ses avis au Groupe des céréaliers. Quand aux pays qui restent un débouché des négociations commerciales, il y aurait un avantage à tenir informés les plus importants d'entre eux, soit par la voie diplomatique, soit par la voie de relations établies par le secrétariat.
SPECIAL AGREEMENT ON TARIFTS AND TRADE

REPORT

GATT/66/573
11 November 1966
Original: English

REPORTERS' PROPOSALS FOR AN INTERNATIONAL GRAIN ARRANGEMENT

Preamble

The Governments parties to this Agreement, recognizing the decision taken at the 25th Meeting of Trade Ministers at Geneva in May 1965 that agricultural commodity arrangements should be formulated as part of the Kennedy Round trade negotiations for the purpose of creating conditions that will result in a significant development and expansion of world trade in such commodities;

Recognizing the importance of grains in relation to total world trade and the need for the provision of acceptable conditions of access to world markets for grains and a better balance between world supplies of grains and world commercial and non-commercial demand for wheat and other grains;

Recognizing the need for aid in the food needs of developing countries, as well as the particular problems of developing member exporting countries highly dependent upon the exports of grain;

Have agreed as follows:

PART I - GENERAL

Article 1 - Objectives

The objectives of this Arrangement are:

1. To create acceptable conditions of access to world markets for grains in furtherance of a significant development and expansion of international trade in grains;

2. To promote a better balance between world supplies of grains and commercial and non-commercial demands;

3. To secure a greater measure of stabilization of international grain prices at equitable and remunerative levels satisfactory to producers and consumers in participating countries;

4. To secure regular and adequate supplies of grains to importing countries at equitable and stable prices;
5. To provide for a multilateral cereal aid programme for the benefit of developing countries, both importers and exporters, and to secure the fair and orderly disposal of any surpluses.

6. In general to provide for the broadest possible multilateral co-operation between participating countries in connexion with international grains problems and for the purpose of the proper functioning of the Arrangement.

**Article 3 - Definitions**

**Article 3 - Commercial and non-commercial transactions**

1. A commercial transaction for the purposes of this Arrangement is a transaction which conforms to the usual commercial practices in international trade and does not include those transactions referred to in paragraphs 1 and 2 of this Article.

2. Sales made for credit will be considered as commercial transactions provided that such sales are consistent with the price range and conform to usual market practices at terms of no more than three years, with interest rates no less than the prevailing rates charged by the International Bank for Reconstruction and Development.

(And definition of commercial transactions under 1 and 2 would be expanded to include OECD and OPEC credit, barter, and sales under trade arrangements with special payments arrangements as long as they are consistent with the price range and the credit terms set forth in paragraph 2. Commercial sales for credit over six months shall not normally be made to markets which generally obtain their imports on a commercial basis.)

3. All transactions are non-commercial transactions involving government intervention extended to developing countries on any terms between outright grants and credit repayable in equal installments during a period of not less than ten years, at nominal interest rates.

(Such transactions include:

(a) sales for the currency of the importing country which is not transferable or convertible into currency or goods and services for use in or by the exporting country;

(b) a gift or grant or a purchase of grains out of a monetary grant by the exporting country made for that specific purpose;

(c) credit sales in excess of ten years at nominal interest rates.)

**Article 4 - Coverage**

1. The Arrangement shall apply to the following products, not including seeds:

- Wheat (soft wheat, hard wheat, durum)
- Rye
- Barley
- Oats
- Maize
- Rice
- Wheat flour

2. The Arrangement shall apply to the other grains, meal of other grains and by-products whose inclusion would be necessary for the proper operation of the Arrangement on a major grain and wheat flour.

**Article 5 - Internal price and support policies**

1. The participating countries listed in Annexes A and B to this Arrangement undertake in respect of their national grains policy either commitments as described in paragraph 3 hereafter, relating to the total effect of the various elements of support or protection provided by such policy, or alternatively commitments as described in paragraph 3 hereafter, relating to all relevant elements of support or protection.

2. (a) The countries participating in the Arrangement for which the effective producer's support price orfarm for each grain is equal to or less than ... per bushel undertake for the duration of the Arrangement not to increase their support so as to raise such returns to a level higher than ... per bushel.

(b) The participating countries for which the effective producer support or farm for each grain is higher than ... per bushel undertake to reduce such support by at least 10 per cent and to bind their support for the duration of the Arrangement.
3. The participating countries listed in Annex A.2 to this Arrangement undertake, with respect to the instruments of internal policy identified for each of them in that Annex, commitments specified in that Annex equivalent in their effect to the commitments undertaken under paragraph 2 of this Article.

Article 6 - Commercial transactions within the price range

1. Each importing country undertakes that not less than the percentage specified for that country in Annex C of this total commercial purchases of wheat in any crop year shall be purchased from exporting countries at prices within the price range.

2. Exporting countries undertake, in association with one another, that wheat from their countries shall be made available for purchase by importing countries in any crop year at prices within the price range in quantities sufficient to satisfy on a regular and continuous basis the commercial requirements of those countries, except where a maximum price declaration is in effect in respect of an exporting country, in which case the provisions of Article 7 below shall apply to that country.

3. For the purposes of this Arrangement, except as provided in Article 7 below, any wheat purchased from an importing country by a second importing country which originated during that crop year from an exporting country shall be deemed to have been purchased from that exporting country by the second importing country.

Article 7 - Purchases at the maximum price

1. If the appropriate institution makes a maximum price declaration in respect of an exporting country, that country shall make available for purchase by importing countries at not greater than the maximum price its balance of commitment towards those countries to the extent that the balance of entitlement of any importing country with respect to all exporting countries is not exceeded.

2. If the appropriate institution makes a maximum price declaration in respect of an exporting country, each importing country shall be entitled, while the declaration is in effect:

(a) to purchase from exporting countries at prices not greater than the maximum price; its balance of entitlement with respect to all exporting countries;

(b) to purchase grains from any source without being regarded as committing any breach of Article 6, paragraph 1, of this Arrangement.

3. If the appropriate institution makes a maximum price declaration in respect of one or more exporting countries, but not all of them, each importing country shall be entitled while the declaration is in effect:

(a) to make purchases under paragraph 1 of this Article from such one or more exporting countries and to purchase the balance of its commercial requirements within the price range from the other exporting countries, and

(b) to purchase grains from any source without being regarded as committing any breach of Article 6, paragraph 1, to the extent of its balance of entitlement with respect to such one or more exporting countries, as at the effective date of the declaration, provided such balance is not larger than its balance of entitlement with respect to all exporting countries.

4. Purchases by any importing country from an exporting country in excess of the balance of entitlement of that importing country with respect to all exporting countries shall not reduce the obligation of that exporting country under this Article. The provisions of Article 6, paragraph 3, above, shall apply also to this Article provided the balance of entitlement of any importing country with respect to all exporting countries is not thereby exceeded.

5. In determining whether it has fulfilled its required percentage under Article 6, paragraph 1, purchases made by any importing country while a maximum price declaration is in effect, subject to the limitations in paragraphs 2(b) and 3(b) of this Article,

(a) shall be taken into account if these purchases were made from any exporting country, including an exporting country in respect of which the declaration was made, and

(b) shall be entirely disregarded if these purchases were made from a country other than an exporting country.

Article 8 - Observance of minimum prices

1. Participating countries undertake not to sell or purchase wheat to or from any source at prices lower than the minimum prices determined in accordance with Article 9.
2. When exporting, each country shall take all appropriate measures and shall apply the specific instruments of its agricultural and commercial policy in such a way so as to ensure that with respect to commercial exports of wheat from its territory to any other market the minimum prices determined in accordance with the provisions of Article 9 are observed.

3. When importing, each country shall, if commercial supplies of wheat are made available by non-members for purchase at prices below the minimum prices determined on the basis of current freight rates for the importing country concerned, undertake such measures as may be necessary to ensure that wheat is not imported at prices below the minimum.

Article 9 - Prices of wheat

1. (a) The minimum price for wheat for the duration of this Arrangement shall be based on $1.05 per bushel basis No. 2 Hard Winter wheat, ordinary protein, f.o.b. Gulf ports. Provision may be made for an alternative base point to certain destinations provided the basic minimum price of $1.05 per bushel for No. 2 Hard Winter is not thereby impaired.

(b) Minimum prices for other grades and qualities of wheat from the United States and other exporters will be included in the Arrangement, taking into account location and differences in quality.

(c) A similar schedule of maximum prices will be inserted in the Arrangement.

(d) The suggested spread between minimum and maximum prices is 40 US cents per bushel.

Article 10 - Wheat flour

The provision in this arrangement concerning flour will need to have regard to the special nature of the international trade in flour and in particular to the problems created by the subsidies and other forms of reliefs on exports of flour going beyond those on exports of wheat.

Countries should undertake to remove such subsidies so as to place exporters of flour in proper relationship to exports of wheat.

A working party shall be set up without delay to negotiate ways and means of implementing such commitments, including if necessary the limitation of export quantities from countries with special subsidies.

Article 11 - Export subsidies and reliefs

In pursuance of the objective of the Arrangement "to assure a greater degree of stabilization of international grain prices at equitable and remunerative levels satisfactory to producers and consumers in participating countries" member countries undertake: (1) to work towards the reduction of subsidies; (2) generally to eliminate the inequities in export subsidies and reliefs; and (3) to enter into consultation with member adversely affected with a view to resolving the situation.

Article 12 - Market stabilization

Section A:

1. All parties to the Arrangement shall undertake measures necessary to maintain an appropriate relationship between supply and demand.

2. For each party to the Arrangement, the self-sufficiency ratio, expressed for all grains, shall be the ratio between production and domestic consumption. Domestic consumption shall be calculated on the basis of production, variations in stocks and the net balance of agricultural trade, at the end of the crop year.

3. The self-sufficiency ratio is determined on the basis of performance in a representative period as laid down in Annex B to this Arrangement.

4. Member countries whose self-sufficiency ratio is less than 100 shall be deemed to be importing countries for the purpose of this Article. Their obligations are set forth in Section B.

5. Member countries whose self-sufficiency ratio exceeds 100 shall be deemed to be exporting countries for the purpose of this Article. Their obligations are set forth in Section C.

Section B - Market access

1. Member importing countries shall maintain the volume of imports of wheat and of coarse grains at the same percentage share of consumption as each had during the representative period laid down in Annex (the base period for calculating the self-sufficiency ratio), but in any event such imports shall not be less than the volume in the representative period.
2. Each party to this Arrangement shall report to the Council not later than 1 September for Northern Hemisphere countries and 1 February for Southern Hemisphere countries its grain production from the current harvest and estimates of consumption during the preceding five years. The quantities of grain to be withheld from commercial markets shall be adjusted as required. A final determination shall be made at the end of the marketing year on the basis of actual production and consumption during that year, so that the total amount by which production exceeded consumption during the year is withheld from commercial markets.

3. The quantities by which a member importing country exceeds its self-sufficiency ratio may be contributed to the International Food Aid Programme subject to the provisions set forth in Articles 13 and 14.

Section 2 - Defense of uniform prices

A grains Arrangement would have to include adequate and automatic provisions for defending uniform prices contained in the Arrangement. Exporters accept this requirement in their obligations, and undertake to prepare proposals setting the specific measures to be employed during this period.

Article 13 - International Food Aid Programme

1. Programmes. The countries party to this Arrangement agree to supply wheat or the cash equivalent of wheat to reach a total of 10 million metric tons annually as contributions to food aid.

2. Contributions

(a) Basic contributions shall be made by member countries each year of the Arrangement on the basis of a formula taking into account each donor country's capacity, its role in the world wheat economy and its stage of economic development, provided however that no member's contribution shall exceed 10 per cent of the total.

(b) Contributions shall be made in such a manner as to ensure that recipient countries obtain food aid under this Arrangement in terms not less than those set forth in paragraph 3 of Article 3.

(c) Additional contributions may be made by importing and exporting countries party to this Arrangement including quantities which must be withheld from commercial markets in accordance with the provisions of Article 12.

(d) Any member donor may elect to make its contribution in wheat or in cash for the purchase of wheat or a combination of both.

(e) Cash contributions will be used for the purchase of wheat in exporting member countries according to the scale set out in Annex 1.

3. Terms and conditions of commodity transfer

(a) Wheat will be made available under this programme to assist the efforts of developing countries to help themselves to a greater degree of self-sufficiency, particularly in meeting their food needs. The programme will be subject to agreed guidelines to ensure that food aid contributes to the agricultural development of the recipient countries.

(b) Wheat made available under this programme is subject to the guidelines set forth in Article 14.

4. Relation to other programmes

Member countries may continue their own bilateral food aid programmes.

Article 14 - Guidelines relating to non-commercial transactions in wheat

The parties to the Arrangement undertake to conduct any non-commercial sales as defined in Article 3 in such a way as to avoid harmful interference with the normal commercial trade in wheat. To this end such sales shall be subject to the following rules and guidelines:

1. This annex would have special regard to facilitating grain exports of developing member countries.
1. Sales on non-commercial terms shall be made only to developing countries.

2. Such sales shall be made at prices within the price range.

3. In order to ensure that non-commercial transactions are additional to commercial sales which could reasonably be anticipated in the absence of such transactions, any wheat supplies on non-commercial terms shall be conditional on commercial quotas. In setting the commercial quotas, account shall be taken of (a) commercial imports of wheat and total commercial imports by the recipient country in a representative period, (b) the trend of such imports, and (c) the development of the balance of the payments of the recipient country.

4. Any commercial transaction as defined in Article 3 may be applied against the commercial quota.

5. If commercial imports by the recipient country fall short of the commercial quota, the amount of the shortfall shall be carried forward to the following year.

6. In the event a recipient country increases its commercial exports of cereals while receiving wheat on non-commercial terms, it shall be required to import an equivalent amount of wheat on commercial terms over and above the commercial quota.

7. The requirements in paragraphs 3, 5 and 6 may be modified or waived in exceptional circumstances (e.g., if such requirements would constitute an unreasonable burden on the recipient country or if it can be shown that a waiver would not adversely affect the normal commercial trade of similar countries).

8. The parties to the Arrangement undertake to enter into prior consultations with respect to any non-commercial transactions as appropriate.

Special provisions for non-commercial transactions under the International Food Aid Programme

1. Only those transactions falling within Article 3, paragraph 3, shall qualify toward the fulfillment of a member country's contributions to the International Food Aid Programme (Article 12).

2. Commercial quotas under the International Food Aid Programme shall be set by the Committee on Food Aid to be established under the Administering Authority. The Committee on Food Aid shall be composed of representatives of donor and recipient countries.

3. Commercial quotas established for a country receiving wheat under the International Food Aid Programme shall apply to any wheat supplied to that country by member countries under bilateral food aid programmes.
Elements to be Considered for Inclusion in the International Grains Arrangements 1967

The Japanese delegation has proposed the following amendments to the annexes annex (66)103 of 19 October 1966. These amendments replace the text proposed in document EX(67)108 of 27 January 1967.

Article 5

It is proposed that the heading of Article 5 "Internal price and support policies", and the expression "Internal policy" in paragraph 3 of Article 5 be changed to read "grain price policies".

Article 10

It is proposed that a new sub-paragraph 7 to the following effect be added to Article 10:

"...the provisions of this Article shall not apply to those participating countries listed in Annex B to this Agreement which, in the said Annex, have undertaken commitments under paragraph 3 of Article 5 equivalent to their effect to those specified in paragraphs 1-6 of this Article."
Accord général sur les tarifs douaniers et le commerce

Retenu à prendre en considération en vue de leur traitement dans l'Arrangement international sur les exportations de 1977.

La délégation japonaise a proposé d'apporter les modifications suivantes : les modifications ouvertes dans les dispositions figurant dans le document SÉCURITÉ IN(67)28 du 27 janvier 1967.

Article 2

Il est proposé de remplacer l'intitulé de l'article 5 "Politiques internes en matière de prix et de taxation" et, en paragraphe 2 du présent article, l'expression "politique internes" par "politique déréglées".

Article 10

Il est proposé d'amender à l'article 10 un paragraphe 7 libellé comme suit : "7. Les dispositions du présent article ne sont pas applicables à ceux des pays participants énumérés à l'article 10 du présent Accord qui, dans la limite aménant mesures de taxation énumérées au paragraphe 3 de l'article 5 équiramen
t par leurs efforts à ceux qui sont spécifiés aux paragraphes 1 à 6 du présent article."

Annexe à l'article 10

SÉCURITÉ IN(67)28

6 février 1967

Groupe des délégués

General Agreement on Tariffs and Trade

The Group on Cereals, in its meeting of 3 February 1967, established a working party with the following terms of reference:

"To consider and make proposals to the Group on:

1. the procedure for the progressive broadening of participation in the negotiations;

2. the practical problems involved in assuring the necessary transitional arrangements between the coming into force of an eventual Cereals Agreement, and the expiration of the International Wheat Agreement."

The membership of the Working Party is as follows:

Argentina
Australia
Canada
Japan
United Kingdom
United States

Chairman is Mr. R.H. Moore, Executive Secretary, International Wheat Council.
<table>
<thead>
<tr>
<th>Category I: Participants in the Kennedy Round</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Members of the Group on Cereals:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Argentina</td>
<td>Norway</td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td>Sweden</td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>Switzerland</td>
<td></td>
</tr>
<tr>
<td>Denmark (Non-member of EEC)</td>
<td>United Kingdom</td>
<td></td>
</tr>
<tr>
<td>European Economic Community</td>
<td>United States</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Members of the International Wheat Agreement:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Austria</td>
<td>Israel</td>
<td></td>
</tr>
<tr>
<td>Brazil</td>
<td>New Zealand</td>
<td></td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>Nigeria</td>
<td></td>
</tr>
<tr>
<td>Finland</td>
<td>Peru</td>
<td></td>
</tr>
<tr>
<td>Greece</td>
<td>Portugal</td>
<td></td>
</tr>
<tr>
<td>Iceland</td>
<td>Spain</td>
<td></td>
</tr>
<tr>
<td>India</td>
<td>South Africa</td>
<td></td>
</tr>
<tr>
<td>Indonesia</td>
<td>South Korea</td>
<td></td>
</tr>
<tr>
<td>Jordan</td>
<td>United Arab Republic</td>
<td></td>
</tr>
<tr>
<td>3. Non-members of the International Wheat Agreement:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ceylon</td>
<td>Pakistan</td>
<td></td>
</tr>
<tr>
<td>Chile</td>
<td>Poland</td>
<td></td>
</tr>
<tr>
<td>Czechoslovakia</td>
<td>Trinidad and Tobago</td>
<td></td>
</tr>
<tr>
<td>Ecuador</td>
<td>Turkey</td>
<td></td>
</tr>
<tr>
<td>El Salvador</td>
<td>Uruguay</td>
<td></td>
</tr>
<tr>
<td>Nixaragua</td>
<td>Yugoslavia</td>
<td></td>
</tr>
</tbody>
</table>

It is expected that the Ivory Coast will shortly make a statement of contribution entitling her to participate in the Kennedy Round.

<table>
<thead>
<tr>
<th>Category II: Countries not participating in the Kennedy Round</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Contracting parties and provisional accords to the GATT, members of the International Wheat Agreement:</td>
<td></td>
</tr>
<tr>
<td>Cuba</td>
<td>Tunisia</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td></td>
</tr>
</tbody>
</table>
B. Contracting parties to the GATT and members of the International Wheat Agreement:

Burma
Burundi
Cameroon
Central African Republic
Chad
Congo (Brazzaville)
Cyprus
Dahomey
Ghana
Guinea
Haiti
Kenya
Kuwait
Malagasy
Malaysia
Mali
Mauritania
Mozambique
Niger
Rwanda
Senegal
Sierra Leone
Somalia
South Africa
Togo
Uganda
Upper Volta

G. Members of the International Wheat Agreement which are not contracting parties to the GATT:

Costa Rica
Ecuador
El Salvador
Panama
Peru
Libya
Liberia
Mozambique
Philippines
Dominican Republic
USSR
Vatican City
Venezuela
Western Samoa

II. Countries which have no relationship with GATT nor the International Wheat Agreement but who may wish to accept a Grain Arrangement:

Algeria
Eritrea
Ethiopia

REPORT OF WORKING PARTY

At its meeting on 3 February the Group on Ceramis establishes a Working Party with the following terms of reference:

To consider and make proposals to the Group on:

1. the procedure for the progressive widening of participation in the negotiations;

2. the practical problems involved in securing the necessary transitional arrangements between the coming into force of an eventual Ceramis arrangement, and the expiration of the International Wheat Agreement.

The Working Party met on 6 February under the chairmanship of Mr. H.H. Brown, Honorary Secretary, International Wheat Council. The following countries were represented at the meeting:

Argentina
Australia
Canad
European Economic Community
Japan

To widening of participation in the Ceramis Group

(a) Countries to be invited

In considering which countries should be invited to participate in the Ceramis Group, the Working Party had before it a document COR(67)37 categorizing countries in accordance with their status in the Kennedy Round, the GATT and the International Wheat Agreement.

It was noted that a number of countries participating in the Kennedy Round were of considerable importance in the grains trade and that such countries for that reason could be expected to be in a position to undertake the full range of obligations in a Grain Arrangement. It was felt necessary that participation in the Kennedy Round, irrespective of membership of the International Wheat Agreement, or importance in grains production and trade, was in itself sufficient reason for inviting all participants in the Kennedy Round (Category I) to participate in the Group.

Amended here as an Annex.
There was some discussion on whether contracting parties not participating in the Kennedy Round, whether or not members of the International Wheat Agreement (Categories II and III), should be invited to participate in the Group. It was noted that most of the countries in Category III (contracting parties not members of the International Wheat Agreement) were of very minor significance in the grain trade and for this reason there was some question as to the desirability of issuing invitations to them. On the other hand, it was pointed out, it would be hard to justify differentiation between contracting parties on the basis of membership of another organization and that many of the countries concerned might not, in any event, wish to participate in the negotiations so that the issuing of invitations to them would not necessarily result in an undue increase in the size of the Group.

The Working Party observed that certain members of the International Wheat Agreement, which were not contracting parties to the GATT, play a major role in the grain trade, whilst others were of only minor importance. It was felt, however, that it would be impracticable to differentiate between countries falling within this Group and that, therefore, an approach should be made to all of them. It is being recognized that some at least of the countries in this Group would probably not accept the invitation.

Finally, the Working Party considered the position of countries which were not contracting parties to the GATT nor members of the International Wheat Agreement. The Chairman indicated that a number of countries falling into this category were important exporters of wheat or coarse grains and that it would clearly be desirable at some stage to associate them in the work of the Group on Cerovas. However, the Working Party, whilst recognizing the desirability of associating countries in this category at an appropriate time, felt that this question could be left over for the time being.

The Working Party recommends:

(a) that participants in the Kennedy Round (Categories II and III) be invited to participate in the Group;

(b) that contracting parties not participating in the Kennedy Round (III and IIA) be invited to hold discussions with the Chairman of the Group, either individually or as a group, so that he might assist their efforts and statements concerning their positions which he would then report to the Group; and

(c) that members of the International Wheat Agreement, not contracting parties (IIB), be invited to hold discussions with the Chairman of the Group, either individually or as a group, so that he might assist their efforts and statements concerning their positions which he would then report to the Group; and

(d) that the Group take note of the desirability of associating in its work countries, members of the United Nations or specialized agencies, which have no relation to the GATT or to the International Wheat Agreement; and if the fact that some of the countries in this category have an important interest in grain.

(e) that the Working Party recommends that invitations to Kennedy Round participants and to contracting parties not participating in the Kennedy Round should stipulate that it would be open to countries to decide themselves whether they wished to participate fully in the work of the Group or would wish to restrict their representation to observers.

Several members of the Working Party expressed the need for flexibility in the conduct of the work of the Group on Cerovas, and, in particular, the desirability of retaining the possibility of creating sub-groups with restricted membership to deal with particular topics.

(f) Timing of Invitations

It was agreed that it was important to associate new members of the Group with the work at the earliest practicable date and that a decision on the timing of dispatch of invitations was a matter of urgency. In this connexion it was noted that it would be undesirable to give potential new participants the impression that they were being confronted with a fait accompli. On the other hand it was noted that the Group would be entering into a crucial phase in its deliberations during the week beginning 13 February, and, for this reason, it was felt that it would not be appropriate for the Working Party itself to make its recommendations on a date for the dispatch of letters of invitation, or the date for the participation of new members in the Group, as these would depend in large measure on the progress made in the Group. The Working Party also agreed that it would be desirable that invitations should be dispatched to Kennedy Round participants and contracting parties not participating in the Kennedy Round, at the same time. On the other hand, there was some discussion as to whether invitations to non-contracting parties, members of the International Wheat Agreement, should be sent simultaneously with those to contracting parties. Members of the Working Party pointed out, in this connexion, that, even if invitations were sent at the same time, the differences in procedures proposed for the two groups, and in particular the fact that prior discussions with the Chairman of the Group were being proposed for non-contracting parties, it was quite possible that in fact such countries would not be in a position to participate in the Group on Cerovas until after the inclusion in it of contracting parties.
The Working Party recommends that a decision on timing of invitations and participation of new countries be taken by the Group in the Light of the progress made in its work during the week beginning 13 February. The timing of the discussions with countries in Category II to be left to the discretion of the Chairman of the Group.

(4) Content of letters of invitation and accompanying documents

The Working Party recognized that the text of the letters of invitation would differ as between the different categories of countries being invited because the terms of invitation themselves would be different. The Working Party also noted that, in practice, the obligations undertaken by the more developed countries participating in the Kennedy Round would differ from those applied to less developed countries, whether participating in the Kennedy Round or not, and that this matter would need careful examination. It was agreed, however, that it would not be appropriate to include in the letters of invitation the possibility of non-compliance with all the obligations of a new arrangement. The letters should set forth the history, purpose and status of the existing negotiations, those to non-contracting parties should explain why these negotiations were proceeding in GATT.

As regards documentation, the Working Party noted that participants in the Kennedy Round had already received the Group's documents (G/M- and G/N-) and the offers in cereals. It would not, however, seem practical to send the Group's documentation and offers to non-participants in the Kennedy Round, particularly, because of the complexity of this documentation, such a step might even slow participation of these countries in the Group. After some discussion, the Working Party agreed to recommend that contracting parties, and participating in the Kennedy Round, should receive, if available, the unified text of a draft arrangement (with any points of divergence shown in square brackets). If no unified draft text were in fact available at the time that the invitation were sent such a text would be forwarded as soon as it was available. Such a unified text would also be sent to participants in the Kennedy Round.

Some members of the Working Party felt that non-contracting parties (II) should be provided with the same documentation as contracting parties, but it was also suggested, in this connection, that it might be preferable to leave the discretion to the Chairman of the Group of the question of documentation to be sent to non-contracting parties. It was pointed out that the extent of the documentation to be included should depend on the context of the actual instance of invitation. The Working Party was not able to make a recommendation on this point.

Transitional arrangements

The Working Party considered the second point in its terms of reference, namely the practical problem involved in assuring necessary transitional arrangements between the entering into force of an eventual cereal arrangement at the expiration of the International Wheat Agreement. The Working Party noted that this was primarily the concern of the International Wheat Council, which would be meeting in April, and that it would be inappropriate for the Group to cereals to make any recommendation to the Council. On the other hand, the Chairman suggested that observations by the Group would be of assistance to the Council in making a decision as regards the continuation of the International Wheat Agreement beyond 31 July 1967.

At the request of one member, the Chairman gave his views as to the length of time that would be needed to bring into force a new Arrangement. Even if it proved possible to reach agreement on the substantive elements in a new arrangement by Easter, considerable work would still be required in drafting provisions relating to the administration of the Arrangement, including voting rights, financial contributions and composition of a governing body. Thereafter, the treaty text would have to be prepared for signature and once signatures had been affixed a period of some ten to twelve months would probably be required for completion of ratification procedures. It would be unreasonable to expect, therefore, that a new arrangement could enter into force at the expiry of the existing Agreement. Some members of the Working Party confirmed that preliminary ratification of a new Arrangement would be needed before their countries could adhere to it.

The Working Party took note of the various procedural factors involved in bringing about the entry into force of a new Arrangement. These factors appeared to suggest that there would be some gap between the termination of the International Wheat Agreement on 31 July and the entry into force of a new Arrangement. The Working Party considered that it would be desirable that the substantive machinery and the existing focal point for the collection of statistical material should be continued in the interim period but recognized that it could not make any recommendation on this point, thus being a matter for the governments represented in the International Wheat Council.

Legal status

The Working Party discussed briefly the legal issues involved in the participation of non-contracting parties. In this connection, attention was given to the precedent established by the Long-Term Cotton Textiles Agreement. For its part, the Working Party rejected the proposal that the memorandum of understanding and the existing focal point for the collection of statistical material should be continued without modification for the period of transition.
Annex

MEMBERSHIP OF COUNTRIES IN THE ADDITIONAL, THE GATT, AND INTERNATIONAL WHEAT AGREEMENT

Category I: Participants in the Kennedy Round

A. Members of the Group on Cereals:

- Argentina
- Australia
- Canada
- Denmark (non-member of EEC)
- European Economic Community (EEC)
- Japan
- Norway
- Sweden
- Switzerland
- United Kingdom
- United States

B. Members of the International Wheat Agreement:

- Austria (observer)
- Brazil
- Canada (observer)
- Finland
- France (observer)
- Ireland (observer)
- New Zealand (observer)
- Nigeria
- Portugal (observer)
- Spain (observer)
- South Africa (observer)
- South Korea
- United Arab Emirates
- United Kingdom
- United States
- Yugoslavia (observer)

C. Non-members of the International Wheat Agreement:

- Belgium
- China
- Czechoslovakia (observer)
- Denmark
- East Germany (observer)
- Estonia
- Ethiopia
- Finland
- Greece
- Jordan
- Kuwait
- Lichtenstein (observer)
- Libya
- Laos
- Morocco
- Nigeria
- Pakistan
- Portugal
- Poland
- Portugal
- Romania
- Tunisia (observer)
- United Arab Emirates
- United Kingdom
- United States

It is expected that the Kerry Project will shortly make a statement of contribution utilizing her to participate in the Kennedy Round.

Category II: Countries not participating in the Kennedy Round

A. Contracting parties to the GATT, not members of the International Wheat Agreement:

- Brazil
- Cameroon
- Canada
- Central African Republic
- Chad
- Congo (Brazzaville)
- Cyprus
- Denmark
- Egypt
- Ghana
- Greece
- Guatemala
- Guinea
- Haiti
- Honduras
- Hungary
- Iceland
- Indonesia
- Iraq
- Israel
- Italy
- Japan
- Jordan
- Kenya
- Korea
- Kuwait
- Madagascar
- Malaysia
- Malta
- Mauritania
- Mexico
- Morocco
- Mozambique
- Netherlands
- New Zealand
- Norway
- Pakistan
- Panama
- Peru
- Philippines
- Portugal
- Qatar
- Romania
- Royal YUGOSLAVIA
- Singapore
- Spain
- Sweden
- Switzerland
- The Former Union of South Africa
- Turkey
- United Kingdom
- United States
- United Arab Emirates
- Uruguay
- Venezuela
- Viet Nam
- West Germany
- Yugoslavia
- Zambia

B. Countries, members of United Nations or the Specialized Agencies, which have no relationship with GATT nor the International Wheat Agreement but who wish to accept a grains arrangement:

- Algeria
- Bulgaria
- Hungary
- Italy
- Poland
- Romania
- Syria
- Tunisia
- Thailand
- Viet Nam
### General Agreement on Tariffs and Trade

#### Agriculture

The table below shows the contributions to food aid.

<table>
<thead>
<tr>
<th>Country</th>
<th>Share in GDP (1)</th>
<th>Share in Total Products (2)</th>
<th>Share in Total Production (3)</th>
<th>Share in Total Utilization (4)</th>
<th>Average (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>1.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Australia</td>
<td>1.7</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
</tr>
<tr>
<td>Canada</td>
<td>3.2</td>
<td>1.2</td>
<td>1.2</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Denmark</td>
<td>0.7</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>EEC</td>
<td>22.3</td>
<td>10.0</td>
<td>10.0</td>
<td>10.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Japan</td>
<td>8.4</td>
<td>2.1</td>
<td>2.1</td>
<td>2.1</td>
<td>2.1</td>
</tr>
<tr>
<td>Korea</td>
<td>0.3</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1.3</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
</tr>
<tr>
<td>Norway</td>
<td>1.1</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>7.5</td>
<td>2.0</td>
<td>2.0</td>
<td>2.0</td>
<td>2.0</td>
</tr>
<tr>
<td>United States</td>
<td>11.1</td>
<td>20.0</td>
<td>20.0</td>
<td>20.0</td>
<td>20.0</td>
</tr>
</tbody>
</table>

**Note:** The figures above show the relative importance of gross national product with total (col.1), and per capita (col.2), and production (col.3), and production or utilization (col.4), as well as weighted averages of the shares in GDP and in total production or utilization (col.5) for 10 EC. Data from which figures in col.1, 2, 4 and 5 were calculated are shown on p. 5. Figures in column 3 are based on total GDP as those in col.1 but, in addition, they take into account the relative level of per capita GDP. Thus, for a country considered, the share in GDP in col.2 was weighted by the square root of the ratio of the country's per capita GDP to the average per capita GDP of all the countries reported. In col.4 the higher figure of either production or utilization was retained.
### Grain Summary Statistics: 1985 and Wheat Production and Utilization in 1985/86 - Imports in Selected Countries

<table>
<thead>
<tr>
<th></th>
<th>EUR thousand million dollars</th>
<th>Per capita EUR dollars</th>
<th>Wheat production thousand tons</th>
<th>Wheat utilization thousand tons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>12,48</td>
<td>610</td>
<td>7,165</td>
<td>**</td>
</tr>
<tr>
<td>Australia</td>
<td>21,48</td>
<td>1,656</td>
<td>17,694</td>
<td>17,695</td>
</tr>
<tr>
<td>Canada</td>
<td>46,16</td>
<td>2,402</td>
<td>19,649</td>
<td>19,632</td>
</tr>
<tr>
<td>Denmark</td>
<td>5,99</td>
<td>2,102</td>
<td>1,497</td>
<td>1,491</td>
</tr>
<tr>
<td>EEC</td>
<td>205,77</td>
<td>1,656</td>
<td>20,152</td>
<td>24,990</td>
</tr>
<tr>
<td>Japan</td>
<td>65,38</td>
<td>856</td>
<td>1,386</td>
<td>3,013</td>
</tr>
<tr>
<td>Norway</td>
<td>7,16</td>
<td>1,889</td>
<td>312</td>
<td>348</td>
</tr>
<tr>
<td>Sweden</td>
<td>14,16</td>
<td>1,950</td>
<td>642</td>
<td>632</td>
</tr>
<tr>
<td>Switzerland</td>
<td>13,84</td>
<td>3,000</td>
<td>317</td>
<td>696</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>99,04</td>
<td>1,910</td>
<td>320</td>
<td>1,918</td>
</tr>
<tr>
<td>United States</td>
<td>602,30</td>
<td>2,580</td>
<td>333</td>
<td>1,146</td>
</tr>
</tbody>
</table>

**Note:** Except for Argentina the EUR data are those published by the OECD (Observer, Feb. 1987) and were converted into US dollars at official exchange rates. The figures for Argentina refer to converts US dollars and Canadian dollars are in US dollars. The conversions rates applied were as of June 1986, to 1 US dollar.

### Hypothetical Nets to Exports/Imports in 1985/86

#### Addendum

<table>
<thead>
<tr>
<th></th>
<th>Wheat and barley grains a</th>
<th>Share of production or utilization and EEC share</th>
<th>Average share of production and utilization and EEC share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>151,24</td>
<td>88,57</td>
<td>1,37</td>
</tr>
<tr>
<td>Australia</td>
<td>114,57</td>
<td>42,86</td>
<td>2,07</td>
</tr>
<tr>
<td>Canada</td>
<td>256,85</td>
<td>142,45</td>
<td>2,37</td>
</tr>
<tr>
<td>Denmark</td>
<td>404,00</td>
<td>165,12</td>
<td>1,77</td>
</tr>
<tr>
<td>EEC</td>
<td>530,00</td>
<td>64,112</td>
<td>21,3</td>
</tr>
<tr>
<td>Japan</td>
<td>305,00</td>
<td>189,62</td>
<td>4,94</td>
</tr>
<tr>
<td>Norway</td>
<td>580</td>
<td>133,00</td>
<td>0,35</td>
</tr>
<tr>
<td>Sweden</td>
<td>228,05</td>
<td>39,85</td>
<td>1,55</td>
</tr>
<tr>
<td>Switzerland</td>
<td>905</td>
<td>190,71</td>
<td>1,65</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>1,005</td>
<td>189,00</td>
<td>1,94</td>
</tr>
<tr>
<td>United States</td>
<td>167,208</td>
<td>332,00</td>
<td>22,9</td>
</tr>
</tbody>
</table>

### Other Notes

- Wheat, rye, barley, oats, flax, corn, and millet.
- Data on production are based on FAO Production Yearbook, 1982 and 1983, these are availability on a consumption basis and are from the United Nations, Food and Agriculture Organization. They cover the period 1982/83 - 1984/85. The availability data refer to production and net stocks only. In calculating the share, the higher figure of either production or utilization was used. The EEC shares are based on total EEC (at market prices) in 1985 as in the earlier document.
## CALCULATION OF MINIMUM PRICE PAYABLE FOR NO. 3 CANADIAN BEEFSTEAK AT UNITED STATES WHOLESALE PRICES

**Base Period Data as at 15 October 1952**

($) per hundred

<table>
<thead>
<tr>
<th>Country of destination</th>
<th>No. 3 minimum Formula</th>
<th>Northern/Southern (Units)</th>
<th>West Coast</th>
<th>Total</th>
<th>(\text{C. F. F. (East Coast)})</th>
<th>Base Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>1.025</td>
<td>1.027</td>
<td>1.027</td>
<td>2.054</td>
<td>2.054</td>
<td>2.054</td>
</tr>
<tr>
<td>United States</td>
<td>1.027</td>
<td>1.027</td>
<td>1.027</td>
<td>2.054</td>
<td>2.054</td>
<td>2.054</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2.054</strong></td>
<td><strong>2.054</strong></td>
<td><strong>2.054</strong></td>
<td></td>
<td></td>
<td><strong>2.054</strong></td>
</tr>
</tbody>
</table>

### Notes

1. **Minum price for No. 3**
   - $1.025
2. **Add Canadian inland transportation and diving costs**
   - 0.003
3. **Add minimum price for No. 3**
   - 1.774
4. **Add ocean freight to destination**
   - 0.206
5. **C. F. F. minimum price (East Coast)**
   - 2.186
6. **Minimum price (East Coast)**
   - 2.186
7. **Minum price equivalent for No. 3**
   - $2.186

*Note: Minimum export transportation costs are based on the average of the actual transportation costs as published in the United States. Ocean freight rates are applicable to all destinations.*

---

*At present applicable to all destinations.*
<table>
<thead>
<tr>
<th>Destination</th>
<th>2% minimum freight</th>
<th>Country of destination formula</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>United Kingdom</td>
<td>Norway (Danel)</td>
</tr>
<tr>
<td>1. Minimum price for No. 1 Malton, in store, Port William</td>
<td>1.625</td>
<td>1.625</td>
</tr>
<tr>
<td>2. Add 20% freight freight and shipping costs for</td>
<td>0.169</td>
<td>0.169</td>
</tr>
<tr>
<td>3. Minimum price for No. 1 Malton, C.A.</td>
<td>1.774</td>
<td>1.774</td>
</tr>
<tr>
<td>4. Add 20% freight for No. 1 Malton, C.A.</td>
<td>0.205</td>
<td>0.205</td>
</tr>
<tr>
<td>5. Penalties for No. 1 Malton, C.A.</td>
<td>0.170</td>
<td>0.170</td>
</tr>
<tr>
<td>6. Total freight for No. 1 Malton, C.A.</td>
<td>2.140</td>
<td>2.140</td>
</tr>
<tr>
<td>7. Minimum price again, less for No. 1 Malton, C.A.</td>
<td>1.980</td>
<td>1.980</td>
</tr>
</tbody>
</table>

Source: Canadian Island Transportation and shipping costs. Canadian Wheat Board. Grain freight rates: rates supplied by a combination of shipping rates and the Baltic market to the International Wheat Council, except those to Brazil which are supplied by the New York Grain Committee.

*2% minimum freight.
*Canadian Island transportation costs for 15% open-water wheat - Canadian cents 14.097 (US cents 14.820).
*As present applicable to all destinations.
POLICY EQUIVALENTS OF VARIOUS GRADES AND QUALITIES OF WHEAT

Attached is a proposed draft for Article 9 which has evolved out of exporter discussions. No exporter is at this time committed to the proposals presented in this paper. It is simply put forward as a contribution to the Group's deliberations on the question of common price equivalents of various grades and qualities of wheat.

Exporters recognize that importers in evaluating these proposals will need to relate them to the present 24A. As a working hypothesis, therefore, the differential between United States Hard Winter ordinary and Manitoba No. 1 F.O.S. Gulf may be assumed to be 20 cents a bushel, thus making the minimum price of Manitoba No. 1 positioned at the Gulf, 10.44 a bushel. As a further contribution to the consideration and understanding of this paper, there is presented also a chart showing standardized freight rates for suggested use in computing minimum price equivalents at various locations. The freight rate schedules are also put forward simply as a working hypothesis to facilitate the Group's consideration of the problem of establishing minimum price equivalents.
The equivalent minimum prices for the various grades of Canadian wheat:

1. (g) The basic minimum and maximum prices for the duration of this agreement shall be:

<table>
<thead>
<tr>
<th>Quality</th>
<th>Min. Price</th>
<th>Max. Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard Winter</td>
<td>$1.35</td>
<td>$1.45</td>
</tr>
</tbody>
</table>

for No. 2 Hard Red Winter, ordinary protein, wheat in bulk f.o.b. Gulf ports and f.o.b. Pacific north-west ports, respectively.

(b) Carrying charges as agreed between the buyer and seller may be added for the buyer's account only after an agreed date specified in the contract signed.

2. (1) The equivalent minimum price for No. 2 Hard Winter, ordinary protein:

f.o.b. United States Atlantic, Great Lakes and Canadian St. Lawrence ports shall be the price equivalent to the a. f. price in Gulf ports, specified in paragraph 1 of this article, executed by suitably prevailing transportation costs.

(2) The equivalent minimum price for other grades and qualities of United States wheat, basis f.o.b. Gulf and Pacific north-west ports, shall be the price equivalent to the a. f. price in Gulf ports, specified in paragraph 1 of this Article, plus or minus the allowance for difference in quality as specified in Annex ... to this Agreement.

3. (a) The equivalent minimum price for other grades and qualities of United States wheat, basis f.o.b. United States Atlantic, Great Lakes and Canadian St. Lawrence ports shall be the price equivalent to the a. f. price in Gulf ports, specified in paragraph 1 of this Article, plus or minus the allowance for difference in quality as specified in Annex ... to this Agreement.

4. (a) The equivalent minimum price for Argentine wheat, basis f.o.b. Argentine ports, shall be:

(b) P.O.B. Canadian Pacific wheat ports shall be the price equivalent to the a. f. price in Tokyo, Japan, of the minimum price for No. 2 Hard Winter, ordinary protein, f.o.b. United States Pacific north-west ports, specified in paragraph 1 of this Article, executed by using currently prevailing transportation costs and exchange rates, plus or minus the allowance for difference in quality for each such grade, as specified in Annex ... to this Agreement.

(c) For destinations other than those specified in (a) above, the price equivalent to the a. f. price in Tokyo, Japan of the minimum price for No. 2 Hard Winter, ordinary protein, f.o.b. Pacific north-west ports, specified in paragraph 1 of this Article, executed by using currently prevailing transportation costs and exchange rates, plus or minus the allowance for difference in quality, as specified in Annex ... to this Agreement.

5. Alternative I

The equivalent minimum price for P.A. Australian wheat, basis f.o.b. Australian ports, shall be the price equivalent to the a. f. price in the United Kingdom of the minimum price for No. 2 Hard Winter, ordinary protein, f.o.b. Gulf ports, specified in paragraph 1 of this Article, executed by using currently prevailing transportation costs and exchange rates, plus or minus the allowance for difference in quality, as specified in Annex ... to this Agreement.

6. Alternative II

The equivalent minimum price for P.A. Australian wheat, basis f.o.b. Australian ports, shall be:

(a) For destination between the ... and ... meridians of longitude, the price equivalent to the a. f. price in Tokyo, Japan of the minimum price for No. 2 Hard Winter, ordinary protein f.o.b. Gulf ports, specified in paragraph 1 of this Article, executed by using currently prevailing transportation costs and exchange rates, plus or minus the allowance for difference in quality for each such grade, as specified in Annex ... to this Agreement.
ports, specified in paragraph 1 of this Article, computed by using currently prevailing transportation costs and exchange rates, plus or minus an allowance for difference in quality, as specified in Annex ... to this Agreement.

(b) For destinations other than those specified in (a) above, the price equivalent to the c. & f. price in Yokohama, Japan, of the minimum price for No. 2 Hard Winter, ordinary protein, f.o.b. Pacific port(s) mentioned in paragraph 1 of this Article, computed by using currently prevailing transportation costs and exchange rates, plus or minus an allowance for difference in quality, as specified in Annex ... to this Agreement.

(7) The equivalent minimum price for French milling wheat, basis e.l. French port, shall be the price equivalent to the c. & f. price in Antwerp/Boulogne of the minimum price for No. 2 Hard Winter, ordinary protein, f.o.b. Gulf port(s), specified in paragraph 1 of this Article, computed by using currently prevailing transportation costs and exchange rates, plus or minus an allowance for difference in quality, as specified in Annex ... to this Agreement.

(8) The equivalent price for Swedish wheat on sample or on description, f.o.b. Swedish port, shall be the price equivalent to the c. & f. price in Antwerp/Boulogne of the minimum price for No. 2 Hard Winter, ordinary protein, f.o.b. Gulf port(s), specified in paragraph 1 of this Article, computed by using currently prevailing transportation costs and exchange rates, plus or minus an allowance for difference in quality, as specified in Annex ... to this Agreement.
Commodity Agreement on Tariffs and Trade

ATTACHMENT VI

1 March 1967

Attaching are maximum and minimum equivalent prices, as calculated by the
International Wheat Council, at 18 October 1966 (Open Water Basis) and at
11 February 1967 (Winter Basis) without allowance for quality differentials.

Prix équivalents maximum et minimum pour l'application
de l'Accord international sur le blé

On trouvera ci-joint les prix équivalents maximum et minimum calculés par
le Comité International du blé, au 18 octobre 1966 (bases ouvertes) et au
11 février 1967 (conditions hivernales), sans ajustement correspondant aux
différences de qualité.
<table>
<thead>
<tr>
<th>Country and port description</th>
<th>Mode</th>
<th>Destination</th>
<th>Minimum freight (AOS)</th>
<th>Maximum freight (AOS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Antartica</td>
<td>F.O.B.</td>
<td>All destinations</td>
<td>2.050^2</td>
<td>2.150</td>
</tr>
<tr>
<td>Alaska</td>
<td>F.O.B.</td>
<td>All destinations</td>
<td>2.040^2</td>
<td>2.140</td>
</tr>
<tr>
<td>Belgium</td>
<td>F.O.B.</td>
<td>Antwerp/Belgium</td>
<td>2.180</td>
<td>2.280</td>
</tr>
<tr>
<td>Egypt</td>
<td>F.O.B.</td>
<td>Alexandria/Red Sea</td>
<td>2.120</td>
<td>2.220</td>
</tr>
<tr>
<td>Fiji</td>
<td>F.O.B.</td>
<td>Suva/Japan</td>
<td>2.320</td>
<td>2.420</td>
</tr>
<tr>
<td>France</td>
<td>F.O.B.</td>
<td>Paris/Belgium</td>
<td>2.180</td>
<td>2.280</td>
</tr>
<tr>
<td>Germany</td>
<td>F.O.B.</td>
<td>Hamburg</td>
<td>2.120</td>
<td>2.220</td>
</tr>
<tr>
<td>Indonesia</td>
<td>F.O.B.</td>
<td>Surabaya</td>
<td>2.200</td>
<td>2.300</td>
</tr>
<tr>
<td>Italy</td>
<td>F.O.B.</td>
<td>Naples</td>
<td>2.120</td>
<td>2.220</td>
</tr>
<tr>
<td>Malaysia</td>
<td>F.O.B.</td>
<td>Singapore</td>
<td>2.200</td>
<td>2.300</td>
</tr>
<tr>
<td>Netherlands</td>
<td>F.O.B.</td>
<td>Rotterdam</td>
<td>2.120</td>
<td>2.220</td>
</tr>
</tbody>
</table>

Footnotes:
- ^1 Footnotes 1955 freight rates used for this period.
- ^2 Footnotes 1955 freight rates used for this period.
- ^3 Footnotes 1955 freight rates used for this period.
- ^4 Footnotes 1955 freight rates used for this period.
- ^5 Footnotes 1955 freight rates used for this period.
- ^6 Footnotes 1955 freight rates used for this period.
- ^7 Footnotes 1955 freight rates used for this period.
- ^8 Footnotes 1955 freight rates used for this period.
- ^9 Footnotes 1955 freight rates used for this period.
- ^10 Footnotes 1955 freight rates used for this period.
- ^11 Footnotes 1955 freight rates used for this period.
- ^12 Footnotes 1955 freight rates used for this period.
- ^13 Footnotes 1955 freight rates used for this period.
- ^14 Footnotes 1955 freight rates used for this period.
- ^15 Footnotes 1955 freight rates used for this period.
- ^16 Footnotes 1955 freight rates used for this period.
- ^17 Footnotes 1955 freight rates used for this period.
- ^18 Footnotes 1955 freight rates used for this period.
- ^19 Footnotes 1955 freight rates used for this period.
- ^20 Footnotes 1955 freight rates used for this period.
- ^21 Footnotes 1955 freight rates used for this period.
- ^22 Footnotes 1955 freight rates used for this period.
- ^23 Footnotes 1955 freight rates used for this period.
- ^24 Footnotes 1955 freight rates used for this period.
- ^25 Footnotes 1955 freight rates used for this period.
- ^26 Footnotes 1955 freight rates used for this period.
- ^27 Footnotes 1955 freight rates used for this period.
- ^28 Footnotes 1955 freight rates used for this period.
- ^29 Footnotes 1955 freight rates used for this period.
- ^30 Footnotes 1955 freight rates used for this period.
- ^31 Footnotes 1955 freight rates used for this period.
- ^32 Footnotes 1955 freight rates used for this period.
<table>
<thead>
<tr>
<th>Country, port and description</th>
<th>F.O.B.</th>
<th>Destination</th>
<th>INA equivalent prices</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baltic Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.055 ( b )</td>
<td>1.925 ( b )</td>
<td></td>
</tr>
<tr>
<td>Baltic Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.046 ( b )</td>
<td>1.917 ( b )</td>
<td></td>
</tr>
<tr>
<td>Black Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.396 ( b )</td>
<td>2.265 ( b )</td>
<td></td>
</tr>
<tr>
<td>Black Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.383 ( b )</td>
<td>2.252 ( b )</td>
<td></td>
</tr>
<tr>
<td>Black Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.370 ( b )</td>
<td>2.239 ( b )</td>
<td></td>
</tr>
<tr>
<td>Baltic Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.357 ( b )</td>
<td>2.226 ( b )</td>
<td></td>
</tr>
<tr>
<td>Baltic Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.344 ( b )</td>
<td>2.213 ( b )</td>
<td></td>
</tr>
<tr>
<td>Baltic Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.331 ( b )</td>
<td>2.200 ( b )</td>
<td></td>
</tr>
<tr>
<td>Baltic Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.318 ( b )</td>
<td>2.187 ( b )</td>
<td></td>
</tr>
<tr>
<td>Baltic Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.305 ( b )</td>
<td>2.174 ( b )</td>
<td></td>
</tr>
<tr>
<td>Baltic Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.292 ( b )</td>
<td>2.161 ( b )</td>
<td></td>
</tr>
<tr>
<td>Baltic Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.279 ( b )</td>
<td>2.148 ( b )</td>
<td></td>
</tr>
<tr>
<td>Baltic Sea ports</td>
<td>f.o.b.</td>
<td>All destinations</td>
<td>2.266 ( b )</td>
<td>2.135 ( b )</td>
<td></td>
</tr>
</tbody>
</table>

*Estimated freight rates as at 22 February 1957.*

**Note:**
- **F.O.B.** indicates free on board.
- **Minimum** and **Maximum** refer to the lowest and highest prices within the specified range.
- **INA equivalent prices** are calculated based on the exchange rate for the 1957-1958 season.
- **Black Sea/Baltic** indicates that the rates apply to ports in the Black Sea and Baltic Sea regions.
- **Estimated freight rates** are based on the average of rates for the 1956-1957 season and are subject to change.
- **Excluding** any additional charges for insurance, insurance against demurrage, etc.
- **Additional information:**
  - **Baltic Sea ports** include ports in the Baltic Sea region.
  - **Black Sea ports** include ports in the Black Sea region.
### Table: Comparison of P.O.B. Values (K) and C/P Values (C) to Various Distances on the Basis of the Proposed Mapped Fair Route (61970) 1 March 1967

<table>
<thead>
<tr>
<th>TO</th>
<th>KEC</th>
<th>UNITED KINGDOM</th>
<th>JAPAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>P.O.B.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H. D.</td>
<td>1.05</td>
<td>2.05</td>
<td>-20</td>
</tr>
<tr>
<td>H. P.</td>
<td>1.05</td>
<td>2.05</td>
<td>-20</td>
</tr>
<tr>
<td>(a)</td>
<td>1.05</td>
<td>2.05</td>
<td>-20</td>
</tr>
<tr>
<td>(b)</td>
<td>1.05</td>
<td>2.05</td>
<td>-20</td>
</tr>
<tr>
<td>Austr. I</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Austr. II</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Austr. III</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Austr. IV</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KEC</td>
<td>1.05</td>
<td>2.05</td>
<td>-20</td>
</tr>
<tr>
<td>Year</td>
<td>Month</td>
<td>Price (per bushel)</td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>-------</td>
<td>-------------------</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>1st Jan</td>
<td>1.15</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>2nd Jan</td>
<td>1.20</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>3rd Jan</td>
<td>1.25</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>4th Jan</td>
<td>1.30</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>5th Jan</td>
<td>1.35</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>6th Jan</td>
<td>1.40</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>7th Jan</td>
<td>1.45</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>8th Jan</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>9th Jan</td>
<td>1.55</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>10th Jan</td>
<td>1.60</td>
<td></td>
</tr>
</tbody>
</table>

In each case, the differential also applies to wheats of comparable quality not specifically mentioned. Further there is no differential for any type of Soft White. All European soft winter wheats have a differential of $2.00 per ton ($2.00 per bushel) below Canadian No. 2 Winter.
Memorandum of Agreement on basic elements to be incorporated in a formal protocol annexed to the Final Act of the multilateral trade negotiations in Geneva.
Principal Items of World Grains Arrangement

I. Pricing provisions

1. The schedule of minimum and maximum prices, basis f.o.b. Gulf ports, is established for the duration of this arrangement as follows:

<table>
<thead>
<tr>
<th></th>
<th>Minimum Price</th>
<th>Maximum Price</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(US dollars per bushel)</td>
<td></td>
</tr>
</tbody>
</table>

Canada

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manitoba 1</td>
<td>1.95</td>
<td>2.10</td>
</tr>
<tr>
<td>Manitoba 3</td>
<td>1.90</td>
<td>2.00</td>
</tr>
</tbody>
</table>

United States

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Dark Northern Spring 14</td>
<td>1.83</td>
<td>2.03</td>
</tr>
<tr>
<td>Hard Red Winter No. 2 (ordinary)</td>
<td>1.75</td>
<td>1.93</td>
</tr>
<tr>
<td>Western White</td>
<td>1.68</td>
<td>1.88</td>
</tr>
<tr>
<td>Soft Red Winter</td>
<td>1.60</td>
<td>1.80</td>
</tr>
</tbody>
</table>

Argentina

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plate</td>
<td>1.73</td>
<td>1.93</td>
</tr>
</tbody>
</table>

Australia

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>F.A.S.</td>
<td>1.68</td>
<td>1.68</td>
</tr>
</tbody>
</table>

UK

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>1.70</td>
<td>1.90</td>
</tr>
<tr>
<td>Standard</td>
<td>1.70</td>
<td>1.90</td>
</tr>
</tbody>
</table>

2. The schedule of minimum prices may be adjusted in accordance with the provisions of VI below.

3. The minimum prices and maximum prices for the specified Canadian and US wheats, f.o.b. Pacific NW ports shall be cents less than the prices in paragraph 1.

4. The minimum prices and maximum prices for the F.A.S. Australian ...
The arrangement shall include provisions under which undertakings to
"text continues on page 5..."
1. If the Secretariat of the Grains Council in the course of its continuous review of market conditions is of the opinion that a situation has arisen, or threatens to arise, which appears to jeopardize the objectives of the Arrangement with regard to the minimum price provisions, or if such a situation is called to the attention of the Secretariat of the Council by any member country, the Executive Secretary shall convene a meeting of the Price Review Committee within two days and simultaneously notify all member countries.

2. The Price Review Committee shall review the price situation with the view to reaching agreement on action required by member countries to restore price stability and to maintain prices at or above minimum levels and shall notify the Executive Secretary when agreement has been reached and of the action taken to restore market stability.

3. If after three market days the Price Review Committee is unable to reach agreement on the action to be taken to restore market stability, the chairman of the Council shall convene a meeting of the Council within ten days to consider what further measures might be taken. If after not more than three days of review by the Council any member country is exporting or offering wheat below the minimum prices as determined by the Council, the Council shall decide whether provisions of the agreement shall be suspended and if so to what extent.

4. When any minimum price has been adjusted in accordance with the foregoing, such adjustments shall continue in effect until the Price Review Committee or the Council finds that the conditions requiring the adjustments no longer prevail.

V. International Food Aid

1. The countries party to this Agreement agree to contribute wheat, coarse grains, or the cash equivalent thereof, as aid to the developing countries, to an amount of 4,5 million tons of grains annually. Grains agreed by the programme shall be suitable for human consumption but if the developing countries so request, grains for animal feed may be contributed.

2. The minimum contribution of each country party to this Agreement is fixed as follows:

Memorandum of Agreement on basic elements to be incorporated in a final protocol annexed to the Final Act of the multilateral trade negotiations in Geneva.
Principal Terms of Crop Grain Arrangement

1. Pricing provisions
   
   The schedule of minimum and maximum prices, basis f.o.b. Gulf ports, is established for the duration of this arrangement as follows:

<table>
<thead>
<tr>
<th></th>
<th>Minimum price</th>
<th>Maximum price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manitoba</td>
<td>1.90</td>
<td>2.70</td>
</tr>
<tr>
<td></td>
<td>1.00</td>
<td>2.60</td>
</tr>
<tr>
<td>United States</td>
<td>1.50</td>
<td>2.50</td>
</tr>
<tr>
<td></td>
<td>1.75</td>
<td>2.75</td>
</tr>
<tr>
<td></td>
<td>1.65</td>
<td>2.65</td>
</tr>
<tr>
<td></td>
<td>1.60</td>
<td>2.60</td>
</tr>
<tr>
<td>Argentina</td>
<td>1.73</td>
<td>2.33</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td>1.63</td>
<td>2.66</td>
</tr>
<tr>
<td></td>
<td>1.65</td>
<td>2.65</td>
</tr>
<tr>
<td></td>
<td>1.50</td>
<td>2.50</td>
</tr>
<tr>
<td></td>
<td>1.30</td>
<td>2.30</td>
</tr>
</tbody>
</table>

2. The schedule of minimum prices may be adjusted in accordance with the provisions of IV below.

3. The minimum prices and maximum prices for the specified Canadian and US wheat, f.o.b. Pacific NW ports shall be at least 10% less than the prices in paragraph 1.

4. The minimum prices and maximum prices for the F.A.E. Australia...
5. The minimum prices and maximum prices for Argentine wheat, F.O.B. Argentine ports, for destinations bordering the Pacific and Indo-Malayan Ocean, shall be the prices equivalent to the c. and f. prices in Yokohama of the minimum prices and maximum prices for US 2 Hard Red Winter (ordinary) wheat F.O.B. Pacific NW ports, specified in paragraph 3, computed by using currently prevailing transportation costs.

6. The minimum prices and maximum prices for

--- the specified US wheat, F.O.B. US Atlantic, Great Lakes and Canadian St. Lawrence ports,

--- the specified Canadian wheat, F.O.B. Pt. Williams/Port Arthur, St. Lawrence ports, Atlantic ports, and Churchill,

--- Argentine wheat, F.O.B. Argentine ports, for destinations other than those specified in paragraph 3,

shall be the prices equivalent to the c. and f. prices in Antwerp/Rotterdam of the minimum prices and maximum prices specified in paragraph 3, computed by using currently prevailing transportation costs.

7. The minimum prices and maximum prices for the EEC standard wheat shall be the prices equivalent to the c. and f. price in the country of destination, or the c. and f. price at an appropriate port for delivery to the country of destination of the minimum prices and maximum prices for that wheat as specified in paragraph 3, computed by using currently prevailing transportation costs.

8. The minimum prices and maximum prices for Swedish wheat on sample or on description, F.O.B. Swedish ports, shall be the prices equivalent to the c. and f. price in the country of destination, or the c. and f. price at an appropriate port for delivery to the country of destination, of the minimum prices and maximum prices for that wheat as specified in paragraph 3, computed by using currently prevailing transportation costs.

1) The Argentine wheat is covered in the paragraph.
II. Commercial purchases and export liabilities

The arrangement shall include provisions under which:

1. Each member country when exporting wheat undertakes to do so at prices consistent with the price range.

2. Each member country importing wheat undertakes that the maximum possible share of its total commercial purchases of wheat in any crop year shall be purchased from member countries, except as provided in paragraph 4 below. This share will have to be determined at a later stage and may be 15 per cent upon the extent to which other countries accede to the arrangement.

3. Exporting countries undertake, in association with one another, that wheat from their countries shall be made available for purchase by importing countries in any crop year at prices consistent with the price range in quantities sufficient to satisfy on a regular and continuous basis the commercial requirements of those countries subject to the other provisions of this agreement.

4. Under extraordinary circumstances a member country may be granted by the Council partial exemption from the commitment contained in paragraph 2 upon submission of satisfactory supporting evidence to the Council.

5. Each member country when importing wheat from non-member countries shall undertake to do so at prices consistent with the price range.

III. Role of minimum prices

1. The role of minimum prices shall be in general conformity with that set forth in the International Wheat Agreement of 1962.

2. Provision shall be made for continuous review by the Secretariat of the Grains Council of the situation with regard to the arrangements in respect of minimum prices and for initiating the necessary action.

3. Due to wheat and certified seed wheat shall be excluded from the provisions relating to minimum prices.

IV. Role of maximum prices

The purpose of the schedule of minimum prices is to contribute to market stability by making it possible to determine when the level of market prices for any wheat is at or approaching the minimum of the range. Since price relationships between types and qualities of wheat fluctuate with competitive circumstances, provision is made for review of and adjustments in minimum prices on the basis of the following principles:
1. If the Secretariat of the Grain Council, in the course of its constant review of market conditions, is of the opinion that a situation may exist, or threatens imminently to arise, which appears to jeopardize the stability of the arrangements with regard to the minimum price provisions, or such a situation is called to the attention of the Secretariat of the Council by any member country, the Executive Secretary shall convene a meeting of the Prices Review Committee within two days and concurrently notify all the countries.

2. The Prices Review Committee shall review the price situation with a view to reaching agreement on action required by member participants to ensure price stability and to maintain prices at or above minimum levels and will notify the Executive Secretary when agreement has been reached and of actions taken to restore market stability.

3. If after three market days the Prices Review Committee is unable to reach agreement on the action to be taken to restore market stability, the President of the Council shall convene a meeting of the Council within two days to consider what further measures might be taken. If after not more than five days of review by the Council any member country is exporting or offering to sell below the minimum prices as determined by the Council, the Council shall state whether provisions of the agreement shall be suspended and if so to what extent.

4. When any minimum price has been adjusted in accordance with the foregoing, such adjustments shall terminate when the Prices Review Committee or the Council finds that the conditions requiring the adjustments no longer exist.

5. Exported wheat shall be excluded from the provisions relating to minimum prices.

6. International Food Aid

1. The countries party to this arrangement agree to contribute wheat, corns, or other equivalent cereal, as aid to the developing countries, to an amount of $137 million metric tons of grain annually, plus covered by the programme shall be suitable for human consumption and of acceptable type and quality.

2. The minimum contribution of each country party to this arrangement is fixed as follows.

The Japanese delegation reserves its position in this section.
Countries according to the arrangement may make contributions on such a basis as may be agreed.

3. The contribution of a country asking the whole or part of its contribution to the programme in the form of cash shall be calculated by multiplying the tonnage determined for that country (or that portion of the tonnage not contributed in grain) by USD 5.6 (minimum price of US Hard Red Winter ordinary, ordinary protein, f.o.b. Gulf).

4. Food aid in the form of grain shall be supplied on the following terms:

(a) Sale for the currency of the importing country which is not transferable and is not convertible into currency or goods and services for use by the contributing country.

(b) A gift of grain or a monetary grant used to purchase grain for the importing country.

Grain purchases shall be made from participating countries. In the use of grant funds, special regard shall be had to facilitating grain exports of developing member countries. To this end priority shall be given so that not less than 25 per cent of the cash contribution to purchase grain for food aid or the part of each contribution required to purchase 200,000 metric tons of grain shall be used to purchase grain produced in developing countries. Contributions in the form of grain shall be placed in f.o.b. forward position by donor countries.

5. Countries party to this Agreement may, in respect of their contribution to the food aid programme, specify a recipient country or countries.

6. On the basis of a total of 4.25 million tons.

7. Under exceptional circumstances an exception of not more than 10 per cent could be granted.
V. Miscellaneous

A grain arrangement must include acceptable provisions relating to such issues as voting rights, definitions of commercial transactions, guide lines for non-commercial transactions, and provisions concerning wheat flour which take into account the special nature of international trade in flour.

VII. Duration

The arrangement shall be effective for a three-year period.

VIII. Subsequent negotiations

Nothing in subsequent negotiations shall prejudice the commitments undertaken in this memorandum of Agreement.
Done at Geneva, on May 1967

| For Argentina                      | ........................................................... |
| For Australia                      | ........................................................... |
| For Canada                         | ........................................................... |
| For Denmark                        | ........................................................... |
| For European Economic Community    | ........................................................... |
| For Japan                          | ........................................................... |
| For Norway                         | ........................................................... |
| For Sweden                         | ........................................................... |
| For Switzerland                    | ........................................................... |
| For the United Kingdom             | ........................................................... |
| For the United States              | ........................................................... |
Memorandum of Agreement on basic elements to be incorporated in a formal protocol annexed to the Joint Act of the multilateral trade negotiations in Geneva.
Each signatory to this Agreement agrees to negotiate a grains arrangement, on a wide a basis as possible, that contains the provisions set forth herein, early conclusion of the negotiations and upon completion of the negotiations to seek acceptance of the arrangement in accordance with its constitutional procedures as rapidly as possible.

### Principal Terms of World Wheat Arrangement

1. **Pricing provisions**

   The schedule of minimum and maximum prices, basis f.o.b. Gulf ports, is established for the duration of this arrangement as follows:

<table>
<thead>
<tr>
<th>Country</th>
<th>Minimum Price</th>
<th>Maximum Price</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(US dollars per bushel)</td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Manitoba 1</td>
<td>1.95</td>
</tr>
<tr>
<td></td>
<td>Manitoba 3</td>
<td>1.90</td>
</tr>
<tr>
<td>United States</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dark Northern Spring No. 1, L.A.</td>
<td>1.85</td>
</tr>
<tr>
<td></td>
<td>Hard Red Winter No. 2 (ordinary)</td>
<td>1.73</td>
</tr>
<tr>
<td></td>
<td>Western White No. 1</td>
<td>1.65</td>
</tr>
<tr>
<td></td>
<td>Hard Red Winter No. 1</td>
<td>1.60</td>
</tr>
<tr>
<td>Argentina</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Plate</td>
<td>1.73</td>
</tr>
<tr>
<td>Australia</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>P.S.Q.</td>
<td>1.66</td>
</tr>
<tr>
<td></td>
<td>Standard</td>
<td>1.50</td>
</tr>
<tr>
<td></td>
<td>Reserve</td>
<td>1.50</td>
</tr>
</tbody>
</table>

2. The minimum prices and maximum prices for the specified Canadian and US wheats, f.o.b. Pacific NW ports shall be 6 cents less than the prices in paragraph 1.

3. The schedule of minimum prices may be adjusted in accordance with the provisions of 4 below.

4. The minimum price and maximum price for F.A. Australian wheat f.o.b. Australian ports shall be 3 cents below the price equivalent to the f.o.b. price in United Kingdom ports of the minimum price and maximum price for US Hard Red Winter No. 2 (ordinary), f.o.b. Gulf ports, specified in paragraph 1, augmented by using currently prevailing transportation costs.
5. The minimum prices and maximum prices for Argentine wheat, f.o.b., Argentine ports, for destinations bordering the Pacific and Indian Oceans, shall be the prices equivalent to the e, and f, prices in Tokyo (or of the nearest Pacific W port, specified in paragraph 6, computed by using currently prevailing transportation costs.

6. The minimum prices and maximum prices for Argentine wheat, f.o.b., US Atlantic, Great Lakes and Canadian St. Lawrence ports, and other than those specified in paragraph 6, shall be the prices equivalent to the e, and f, prices in Amery, Canadian, US Atlantic, Great Lakes and Canadian St. Lawrence ports, for destinations other than those specified in paragraph 6, computed by using currently prevailing transportation costs.

7. The minimum prices and maximum prices for the EEC standard wheat shall be the prices equivalent to the e, and f, prices in the country of destination, or the e, and f, price at an appropriate port for delivery to the country of destination specified in paragraph 6, computed by using currently prevailing transportation costs.

8. The minimum prices and maximum prices for Swedish wheat, f.o.b., Swedish ports, shall be the prices equivalent to the appropriate port for delivery to the country of destination, or the e, and f, price at such ports and maximum prices for Swedish wheat as specified in paragraph 6, computed by using currently prevailing transportation costs.

II. Commercial purchases and supply commitments

1. Each member country, when importing wheat undertakes to do so at prices consistent with the price range.

2. Each member country importing wheat undertakes that the maximum possible share of its total commercial purchases of wheat in any crop year shall be purchased from member countries, except as provided in paragraph 4 below. This share will have to be determined at a later stage and will be dependent upon the extent to which other countries accede to the arrangements.

3. Exporting countries undertake, in association with one another, that wheat from their countries shall be made available for purchase by importing countries in any crop year at prices consistent with the price range in quantities sufficient to satisfy on a regular and continuous basis the commercial requirements of these countries subject to the other provisions of this Agreement.

4. Under extraordinary circumstances a member country may be granted by the Council partial exemption from the commitment contained in paragraph 2 upon submission of satisfactory supporting evidence to the Council.

5. Each member country when importing wheat from non-member countries shall undertake to do so at prices consistent with the price range.

III. Role of maximum prices

1. The role of maximum prices shall be in general conformity with that set forth in the International Wheat Agreement of 1962.

2. Provision shall be made for continuous review by the Secretary of the Council of the situation with respect to the arrangements in respect of maximum prices and for initiating the necessary action.

3. Durum wheat not certified seed shall be excluded from the provisions relating to maximum prices.

IV. Role of minimum prices

The purpose of the schedule of minimum prices is to contribute to market stability by making it possible to determine when the level of market prices for any wheat is at or approaching the minimum of the range. Since price relationships between types and qualities of wheat fluctuate with competitive circumstances, provision is made for review of and adjustments in minimum prices, on the basis of the following principles:
1. If the Secretary of the Governing Council in the course of its continuous review of market conditions finds that a situation has arisen, or threatens to arise, which appears to jeopardize the objectives of the arrangements with regard to the minimum price provisions, or if such a situation is said to the Council or the Ministerial Committee of the Prime Minister Committee within 10 days and concurrently notify all Member Countries.

2. The Prime Minister Committee shall review the price situation with the view to reaching an agreement on action required by Member Countries to stabilize the market or to maintain prices at or above minimum levels. The Review Committee shall convene at least once a month and at the request of any Member Country.

3. If, after six months the Prime Minister Committee is unable to reach an agreement or the action to be taken to restore market stability, the Council shall convene a meeting of the Council within 14 days. If, after six months, the Council is unable to reach an agreement or the action to be taken to restore market stability, the Council shall make a determination and the Ministerial Committee shall convene at least once a month and at the request of any Member Country.

4. When any minimum price has been adjusted in accordance with the Agreement, such adjustment shall terminate once the Prime Minister Committee determines that the minimum provisions are no longer necessary.

5. Sanctioned clauses shall be excluded from the provisions relating to minimum prices.

6. **Resolution of Disputes**

   a. The country party to this Agreement agrees to contribute wheat, corn, and similar agricultural products to the total amount of 1.5 million metric tons of grain annually as an acceptable type and quality.

   b. The minimum contribution of each country party to this Agreement is fixed as follows:

   - United States: 43,000
   - Canada: 25,000
   - Argentina: 5,000
   - Brazil: 1,000
   - European Coal and Steel Community: 1,000
   - EEC: 5,000
   - Switzerland: 7,000
   - Denmark: 2,000
   - Norway: 5,000
   - Finland: 3,000
   - Japan: 5,000

   Negotiations concerning the agreement may seek contributions on such a basis as may be agreed.

4. The contribution of a country making the whole of its contribution by its contribution in the form of cash shall be calculated by evaluating the quantity of the contribution as a portion of the quantity set aside in the following table:

   a. A gift of grain or a monetary grant used to purchase grain for the importing country.

   b. Grants purchased shall be made from the contributions of countries. In the case of contributions of countries, special regard shall be had to facilitating grain imports of developing countries. To this effect, priority shall be given to such a country not less than 25 percent of the cash contribution to purchase grain for food aid or development purposes. The cash contribution of each country shall be used to purchase grain produced in developing countries. Contributions of the food of grain shall be placed in the form of a grant to the recipient country or countries.

   c. If an exceptional circumstances an exemption or not more than 10 per cent could be granted.
VI. Miscellaneous

A grain arrangement must include, among other things, acceptable provisions relating to such issues as voting rights, definition of commercial transactions, guide lines for non-commercial transactions, safeguards for commercial transactions, and provisions concerning wheat flour which take into account the special nature of international trade in flour.

VII. Duration

The arrangement shall be effective for a three-year period.

VIII. Amendment

The terms and conditions of accession of countries not original signatories to this Agreement shall be decided upon in subsequent negotiations.

IX. Subsequent Negotiations

Nothing in subsequent negotiations shall prejudice the commitments undertaken in this Memorandum of Agreement.

---

Done at Geneva, on May 1955

For Argentina

For Australia

For Canada

For Denmark

For European Economic Community

For Japan

For Norway

For Sweden

For Switzerland

For the United Kingdom

For the United States
AGREEMENT BETWEEN THE UNITED KINGDOM GOVERNMENT
AND THE GOVERNMENTS OF AUSTRALIA, CANADA, ARGENTINA,
AND THE UNITED STATES

It is agreed by the Governments of Australia, Canada, Argentina and the United States of America that the United Kingdom Government may, for the duration of the cereals agreement, continue to operate the minimum import price system for cereals, cereal products and by-products as provided in the sodium import price provisions of the bilateral cereals agreements between the United Kingdom and the above governments and that these provisions shall be incorporated as an annex to the cereals agreement.

For the United Kingdom:

For Australia:

For Canada:

For Argentina:

For the United States:

The United States Government agrees that beginning on this date and extending through the period that the European Economic Community is a member of the International Cereals arrangement, it will not exercise its negotiating or supplier rights under the "standstill" agreements of March 1962.

The United States and the European Economic Community will keep open the opportunity for negotiations and consultations of the types contemplated by these two agreements of 7 March 1962.

For the United States:

For the European Economic Community:
6 June 1967

GATT Group on Cereals

PROCEDURES AND CONDITIONS GOVERNING THE MULTILATERAL USE OF GRAINS CONTRIBUTED AS FOOD AID UNDER PROPOSED INTERNATIONAL GRAINS AGREEMENT

(document submitted by FAO and WFP)

A. Interpretation of GATT Memorandum of Agreement (doc. TN. 64/7)

1. It is understood to be the intent of all parties to the GATT Agreement that the food aid commitment will be additional to present levels of food aid, either bilateral or through the World Food Program (WFP). The annual levels of pledges to WFP during 1966/67 are listed by country in the annex to this document.

2. It is understood that obligations (stated in physical terms) will be discharged on the basis of the value of wheat. For donor countries where the minimum export wheat price is below the reference price of $1.73 per bushel, the tonnages of wheat have been adjusted upwards on a price equivalent basis. No downward adjustments have been made for wheat the minimum price of which is above the reference price. Tonnages of coarse grains delivered will be adjusted upwards on the basis of price relationships with Hard Red Winter No. 2 at Gulf Ports (minimum price of $1.73 or actual price at the time?).

3. It is understood that the statement in paragraph 9 on page 9 of the GATT Memorandum of Agreement, indicating that donor countries could specify the recipient "country or countries" for their food aid contributions, had been interpreted throughout the discussions as allowing the designation of WFP as a multilateral international agency to handle supplies originating under the proposed Grains Agreement.

4. It is understood that the precise terms under which WFP would handle such food aid as may be channelled through the GATT need not be included in the Grains Agreement proper, but could be stipulated in a separately agreed memorandum or annex providing inter alia for direct negotiation between WFP and interested donor countries.

5. It appears that no provision is made for the cost of ocean freight, overland transport costs to the closest border of landlocked countries, insurance, superintendence (and administrative overheads in the case of grain moving through multilateral channels). In view of the experience of WFP to date, these costs would need to be covered by cash contributed along with the grain. It is believed that cash equivalent to 20 percent of the value of the grain would be sufficient for the purpose.
B. Guidelines relating to food aid in Grains Agreement

It is understood that the proposed Grains Agreement will include general guidelines on:

(i) procedures for reporting food aid contributions and transactions in fulfillment of the obligations and provisions of the Agreement;

(ii) safeguards to avoid harmful interference with normal commercial trade;

(iii) safeguards to ensure that food aid contributes to the economic development of the recipient country and avoids adverse effects on its domestic agriculture;

(iv) allocation of the prescribed portion of grant funds set aside in the Agreement for purchasing grain produced in developing exporting member countries;

(v) use of such other cash contributions as are allocated for purchasing of grain by the WFP;

(vi) eligibility of recipient countries for food aid under bilateral programs (i.e. definition of "developing country" as stated in the GATT memorandum of agreement);

(vii) liaison between Grains Council and WFP, UN, FAO, and other international agencies concerned.

C. Use of Grains designated for multilateral distribution

1. Any grain aid (including cash contributions) channelled through the WFP would be handled under the same conditions, rules and regulations as apply to supplies pledged under the current WFP program, whether used for emergencies or economic development.

2. The present General Regulations of the WFP provide that:

"The Program shall, on request, provide aid for:

(a) meeting emergency food needs and emergencies inherent in chronic malnutrition (this could include the establishment of food reserves) \( \text{see General Regulations Part B, 5(a) and 6}\);

(b) implementing projects, using food as an aid to economic and social development, particularly when related to pre-school and school feeding, increasing agricultural productivity, labor-intensive projects and rural welfare" \( \text{General Regulations Part B, 5(b)} \).
3. The availability of substantial additional quantities of grains for multilateral distribution by WFP would entail an intensification of WFP activities along present lines and possibly some reorientation. With its present resources, WFP is unable to meet all the requests forthcoming for aid for projects and emergencies. These operations would continue but projects not already sanctioned would be reviewed in the light of the new circumstances. With adequate advance planning the WFP would be able to introduce new types of food aid operations and to initiate activities on a larger scale.

4. The main types of operation which can be presently envisaged are:

(i) specific projects for economic and social development involving identified population groups and requiring grains. The average size of such projects could be increased with additional resources in grains;

(ii) sectoral and area projects involving a whole sector of the economy, e.g. river basin development;

(iii) famine and emergency relief. At present the Director-General of FAO has drawing rights on WFP resources of $10 million to meet requests for emergency food aid. This has been increased by $5 million in each of the years 1966 and 1967. The availability of larger quantities of grain with WFP would result in increased requests to WFP for meeting sudden emergencies, many of which in the past were met by bilateral programs;

(iv) establishment of national food reserves in developing food deficit countries;

(v) a much larger contribution might be made towards filling the structural food deficits of developing countries with balance of payment difficulties, in order to assist their economic development. This type of food aid might be acceptable to recipient countries delivered on an f.o.b. basis.

E. Procedures and criteria

1. Current procedures for WFP operations include:

(i) direct negotiation by WFP with donor countries on the supply of a particular grain, made available from the amounts pledged for multilateral use, to a proposed recipient country for a specific purpose. Donor countries may refuse to supply grain for a proposed recipient country, but cannot specify a recipient country;

(ii) technical scrutiny of requests from eligible recipient countries, including the possible adverse effects on commercial trade and domestic agriculture, in collaboration with FAO, UN and other competent international agencies;
(iii) submission of all project proposals to the FAO Consultative Sub-Committee on Surplus Disposal 1/ to establish if the project accords with the FAO Principles of Surplus Disposal 2/. In connection with food aid under the proposed Grains Agreement, this would also serve to safeguard the normal commercial trade of non-member grain exporting countries; and commercial trade in related products outside the Grains Agreement (e.g. rice);

(iv) submission to WFP Intergovernmental Committee (IGC) 3/ for approval of all projects with a total commodity cost of $750,000 or above. Authority to approve projects of less than $750,000 is delegated to the Executive Director of WFP on the understanding that they would be subsequently reported to the IGC;

(v) purchase of grains on the basis of the most favourable offer in commercial markets, taking into consideration location of project, delivery dates, and the general preference given to supplies available in developing countries;

(vi) purchase of shipping space within the FAO financial regulations on a strict commercial basis, with discounts from Conference Lines where possible.

2. Specific criteria and procedures additional to those now in effect as summarized above, might have to be developed to provide for larger-scale multilateral food aid operations, particularly for evaluation of requests.

3. Decisions on the amount and timing of large-scale food transfers for development aid should be taken only after the most careful appraisal of the food and agricultural situation in the recipient country in the context of its general economy. For such appraisals the WFP would necessarily rely on the IBRD, IMF and FAO. A key feature would be the forward estimating of food requirements and deficits in the requesting countries, a task that falls within the competence of FAO.

1/ The Consultative Sub-Committee is open to all interested FAO member nations and meets regularly each month in Washington D.C.

2/ It is believed that the FAO Principles continue to provide a valid international code of conduct and an agreed framework for prior consultations on food aid transactions, in addition to such surplus disposals as still take place from time to time.

3/ Membership of IGC consists of 24 nations, of whom half are elected by the FAO Council and half by the ECOSOC.
4. Procedures and criteria would be required to evaluate requests for large-scale emergency assistance such as may arise from widespread crop failures. Such procedures could include a survey of the actual food situation in the applicant country, the extent and causes of the crop shortfall, the level of national stocks, the economic condition of the country and the scope for increased commercial imports.

5. The GATT Memorandum of Agreement envisages the provision of food aid either as a grant or against payment in the currency of the importing country. Since the sale of grain for local currency does not constitute food aid except insofar as the sales proceeds are returned to the purchasing country in the form of a grant, it would appear desirable to restrict the use of any local sales proceeds to agricultural development activities and infrastructure improvements designed to serve agriculture. Guidelines or rules on the allocation of such proceeds may have to be drawn up.

6. To permit adequate preparation and planning of projects and operations, pledges of multilaterally designated quantities should allow for a 6-month delay in disbursements i.e. grains pledged to the WFP for a given calendar year under the proposed Agreement should remain available for 18 months.
## Annex

### Statement of Pledges to UN/FAC/World Food Program in US dollars as at 31 May, 1967

<table>
<thead>
<tr>
<th>Contributing Countries</th>
<th>Commodities</th>
<th>Services</th>
<th>Cash</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>2,000</td>
<td></td>
<td>2,000</td>
<td></td>
</tr>
<tr>
<td>Algeria</td>
<td>20,000</td>
<td></td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td>1,500,000</td>
<td>450,000</td>
<td>2,250,000</td>
<td></td>
</tr>
<tr>
<td>Austria</td>
<td>1,100,000</td>
<td>275,000</td>
<td>1,375,000</td>
<td></td>
</tr>
<tr>
<td>Belgium</td>
<td>425,000</td>
<td></td>
<td>600,000</td>
<td></td>
</tr>
<tr>
<td>Botswana</td>
<td>1,565</td>
<td></td>
<td>1,565</td>
<td></td>
</tr>
<tr>
<td>Brazil</td>
<td>250,000</td>
<td></td>
<td>250,000</td>
<td></td>
</tr>
<tr>
<td>Cameroon</td>
<td>2,041</td>
<td></td>
<td>2,041</td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>20,625,000</td>
<td>6,375,000</td>
<td>27,000,000</td>
<td></td>
</tr>
<tr>
<td>Ceylon</td>
<td>30,000</td>
<td></td>
<td>30,000</td>
<td></td>
</tr>
<tr>
<td>Chad</td>
<td>2,000</td>
<td></td>
<td>2,000</td>
<td></td>
</tr>
<tr>
<td>Chile</td>
<td>114,060</td>
<td></td>
<td>114,060</td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>154,660</td>
<td></td>
<td>154,660</td>
<td></td>
</tr>
<tr>
<td>Colomb ia</td>
<td>60,400</td>
<td></td>
<td>60,400</td>
<td></td>
</tr>
<tr>
<td>Congo (Kinshasa)</td>
<td>5,000</td>
<td></td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>Costa Rica</td>
<td>1,500</td>
<td></td>
<td>1,500</td>
<td></td>
</tr>
<tr>
<td>Cuba</td>
<td>320,000</td>
<td></td>
<td>320,000</td>
<td></td>
</tr>
<tr>
<td>Cyprus</td>
<td>840</td>
<td></td>
<td>840</td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>4,869,359</td>
<td>2,333,333</td>
<td>7,202,692</td>
<td></td>
</tr>
<tr>
<td>Dominican Rep.</td>
<td>1,000</td>
<td></td>
<td>1,000</td>
<td></td>
</tr>
<tr>
<td>Ecuador</td>
<td>912</td>
<td></td>
<td>912</td>
<td></td>
</tr>
<tr>
<td>Ethiopia</td>
<td>5,000</td>
<td></td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>Finland</td>
<td>650,000</td>
<td></td>
<td>650,000</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>1,989,795</td>
<td>1,068,537</td>
<td>3,058,332</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>3,975,000</td>
<td>1,590,000</td>
<td>5,565,000</td>
<td></td>
</tr>
<tr>
<td>Ghana</td>
<td>35,000</td>
<td></td>
<td>35,000</td>
<td></td>
</tr>
<tr>
<td>Greece</td>
<td>205,000</td>
<td></td>
<td>205,000</td>
<td></td>
</tr>
<tr>
<td>Guinea</td>
<td>60,000</td>
<td></td>
<td>60,000</td>
<td></td>
</tr>
<tr>
<td>Iceland</td>
<td>5,000</td>
<td></td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>India</td>
<td>500,000</td>
<td>250,000</td>
<td>750,000</td>
<td></td>
</tr>
<tr>
<td>Iraq</td>
<td>40,000</td>
<td>20,000</td>
<td>60,000</td>
<td></td>
</tr>
<tr>
<td>Iran</td>
<td>100,000</td>
<td></td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>Ireland</td>
<td>420,050</td>
<td>1,680,201</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Israel</td>
<td>15,000</td>
<td></td>
<td>15,000</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>500,000</td>
<td>1,000,000</td>
<td>1,500,000</td>
<td></td>
</tr>
<tr>
<td>Jamaica</td>
<td>6,000</td>
<td></td>
<td>6,000</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>150,000</td>
<td>1,483,333</td>
<td>1,633,333</td>
<td></td>
</tr>
<tr>
<td>Jordan</td>
<td>9,000</td>
<td></td>
<td>9,000</td>
<td></td>
</tr>
<tr>
<td>Korea, Rep. of</td>
<td>6,000</td>
<td></td>
<td>6,000</td>
<td></td>
</tr>
<tr>
<td>Kuwait</td>
<td>150,000</td>
<td></td>
<td>150,000</td>
<td></td>
</tr>
<tr>
<td>Laos</td>
<td>3,000</td>
<td></td>
<td>3,000</td>
<td></td>
</tr>
<tr>
<td>Lebanon</td>
<td>15,000</td>
<td></td>
<td>15,000</td>
<td></td>
</tr>
<tr>
<td>Liberia</td>
<td>3,000</td>
<td></td>
<td>3,000</td>
<td></td>
</tr>
<tr>
<td>Libya</td>
<td>15,000</td>
<td></td>
<td>15,000</td>
<td></td>
</tr>
<tr>
<td>Luxembourg</td>
<td>4,950</td>
<td></td>
<td>4,950</td>
<td></td>
</tr>
<tr>
<td>Malaysia</td>
<td>2,000</td>
<td></td>
<td>2,000</td>
<td></td>
</tr>
<tr>
<td>Mali</td>
<td>100</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Malta</td>
<td>100,000</td>
<td></td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>Mexico</td>
<td>25,000</td>
<td></td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>Contributing Countries</td>
<td>Commodities</td>
<td>Services</td>
<td>Cash</td>
<td>Total</td>
</tr>
<tr>
<td>------------------------</td>
<td>-------------</td>
<td>----------</td>
<td>------</td>
<td>-------</td>
</tr>
<tr>
<td>Nepal</td>
<td>1,000</td>
<td>1,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td>2,000,000</td>
<td>6,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Zealand</td>
<td>375,000</td>
<td>750,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nigeria</td>
<td>2,800</td>
<td>4,200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norway</td>
<td>1,538,750</td>
<td>4,618,688</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pakistan</td>
<td>173,246</td>
<td>173,246</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>10,000</td>
<td>20,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senegal</td>
<td>6,000</td>
<td>6,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>10,000</td>
<td>32,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sweden</td>
<td>4,000,000</td>
<td>8,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Switzerland 2/*</td>
<td>1,168,981</td>
<td>1,493,055</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Syria</td>
<td>24,038</td>
<td>24,038</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tansania</td>
<td>14,000</td>
<td>14,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thailand</td>
<td>70,000</td>
<td>70,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turkey</td>
<td>100,000</td>
<td>100,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tunisia</td>
<td>28,715</td>
<td>28,715</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UAR</td>
<td>100,000</td>
<td>100,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>United Kingdom</td>
<td>3,100,000</td>
<td>6,200,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>United States of America</td>
<td>32,000,000</td>
<td>130,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Venezuela</td>
<td>100,000</td>
<td>100,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vietnam</td>
<td>1,000</td>
<td>1,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yugoslavia</td>
<td>250,000</td>
<td>250,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zambia</td>
<td>2,800</td>
<td>2,800</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Holy See 3/</td>
<td>11,000</td>
<td>11,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>146,382,959</td>
<td>34,090,000</td>
<td>35,515,927</td>
<td>215,988,886</td>
</tr>
</tbody>
</table>

* New or altered pledges

1/ Ecuador's pledge owing to difference in rate of exchange is for the time being reduced to $912.

2/ Switzerland has made a pledge for 4 years (subject to Parliament's approval) of $1,990,740 but its composition is not known yet and has been considered as cash for recording purposes.


Resources actually available

<table>
<thead>
<tr>
<th>Commodities</th>
<th>Services</th>
<th>Cash</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>110,517,574</td>
<td>21,615,083</td>
<td>35,515,927</td>
<td>167,648,584</td>
</tr>
</tbody>
</table>
DRAFT GRAINS AGREEMENT

Working Document Prepared by the Secretariat

List of Articles

1. Objectives
2. Definitions
3. Commercial and Non-Commercial Transactions
4. Commercial Purchases and Supply Commitments
5. Purchases at the Maximum Price
5A. 10% of Minimum Prices
5B. Purchases at the Minimum Price
6. Prices of Wheat
7. Prices of Wheat Flour
8A. Adjustments in Minimum Prices
8B. Review in Respect of Maximum Prices
9. Adjustment in Case of Short Crop
10. Adjustment in Case of Necessity to Safeguard Balance of Payments or Monetary Reserves
11. Adjustments and Additional Purchases in Case of Critical Need
12. Other Adjustments
13. Maximum Price Declarations
14. Establishment of Datum Quantities
15. Recording
16. Estimates of Requirements and Availability of Wheat
17. Consultations
18. Performance Under Articles 4 and 5
19. Defaults under Articles 4 and 5
20. Action in Cases of Serious Prejudice
21. Disputes and Complaints
22. Annual Review of World Wheat/Grains Situation
23. Consumption and Utilization of Wheat/Grains
ARTICLE 1

Definitions

1. For the purposes of this Agreement:

(a) "Advisory Committee on Price Equivalents" means the Committee established under Article 11;

(b) "Balance of Commitment" means the amount of wheat which an exporting country is obliged to make available at not greater than the maximum price under Article 5; that is, the amount by which its datum quantity with respect to importing countries exceeds the actual commercial purchases from it by those countries in the crop year at the relevant time;

(c) "Balance of Entitlement" means the amount of wheat which an exporting country is entitled to purchase at not greater than the maximum price under Article 5; that is, the amount by which its datum quantity with respect to the exporting country or countries concerned, as the context requires, exceeds its actual commercial purchases from those countries in the crop year at the relevant time;

(d) "Buahel" means sixty poundsavoirdupois or 27.2155 kilograms;

(e) "Carrying charges" means the costs incurred for storage, interest and insurance in holding wheat;

(f) "Certified seed wheat" means wheat which has been officially certified according to the action of the country of origin and which conforms to recognized specification standards for seed wheat in that country;

(g) "C. and F." means cost and freight;

(h) "Council" means the International Wheat Agreement Council established by the International Wheat Agreement, 1934 and continued in being by Article 20;

(i) "Crop year" means the period from 1 August to 31 July of the following year;

(j) "Datum quantity" means:

(i) In the case of an exporting country the average annual commercial purchases from that country by importing countries during the years determined under Article 15;

(ii) In the case of an importing country the average annual commercial purchases from exporting countries or from a particular exporting country, as the context requires, during the years determined under Article 15;
(a) "Executive Committee" means the Committee established under Article 3;

(b) "Exporting country" means, as the context requires, either:

(i) The Government of a country listed in Annex B which has accepted or acceded to this Agreement and has not withdrawn therefrom; or

(ii) That country itself and the territories in respect of which the rights and obligations of its Government under this Agreement apply;

(c) "F.A.S." means fair average quality;

(d) "F.O.B." means free on board goods/you to vessel as the case may be, and in the case of "French" wheat delivered at a Rhine port, free on board river craft;

(e) "Importing country" means, as the context requires, either:

(i) The Government of a country listed in Annex C which has accepted or acceded to this Agreement and has not withdrawn therefrom; or

(ii) That country itself and the territories in respect of which the rights and obligations of its Government under this Agreement apply;

(f) "Marketing costs" means all usual charges incurred in marketing, chartering, and forwarding;

(g) "Maximum price" means the maximum prices specified in or determined under Articles 6 or 7 or one of those prices, as the context requires;

(h) "Maximum price declaration" means a declaration made in accordance with Article 13;

(i) "Metric ton", or 1,000 kilograms, means 36.743736 bushels;

(j) "Minimum price" means the minimum prices specified in or determined under Articles 6 or 7 or one of those prices, as the context requires;

(k) "Price range" means prices between the minimum and maximum prices specified in or determined under Articles 6 or 7, including the minimum price but excluding the maximum prices;

(l) "Purchase" means a purchase for import of wheat exported or to be exported from an exporting country, or from other than an exporting country, as the case may be, or the quantity of such wheat so purchased, as the context requires. Where reference is made in this Agreement to a purchase it shall be understood to refer not only to purchases concluded between the governments concerned but also to purchases concluded between private traders and to purchases concluded between a private trader and the Government concerned. In this connection, "government" shall be deemed to include the Government of any territory in respect of which the rights and obligations of any Government accepting or acceding to this Agreement apply under Article 37;

(m) "Territory" in relation to an exporting or importing country includes any territory in respect of which the rights and obligations under this Agreement of the Government of that country apply under Article 37;

(n) "Wheat" includes wheat grade of any description, class, type, grade or quality and, except in Article 6, wheat flour.

2. All calculations of the wheat equivalent of purchase of wheat flour shall be made on the basis of the rate of extraction indicated by the contract between the buyer and the seller. If no such rate is indicated, fourteen percent is the rate to be used. If wheat flour shall, for the purpose of such calculation, be deemed to be equivalent to 100 parts by weight of wheat unless the Council decides otherwise.
ARTICLE 3

Commercial and Non-Commercial Transactions

§1. A commercial transaction for the purposes of this Agreement is a transaction which conforms to the usual commercial practices prevailing in international trade. Sales made for credit will be considered as commercial transactions, provided that such sales are consistent with the price range and conform to the credit terms of no more than three years, with interest. Reconciliation and development. Commercial transactions include credit arrangements, special payments arrangements, as long as they are consistent with the price range and the credit terms set forth above. Commodity sales not credit are made to markets which generally obtain their imports on commercial terms.

§2. A non-commercial transaction is a transaction other than those transactions referred to in paragraph 1.

§3. Any question raised by the Executive Secretary or by any exporting or importing country as to whether a transaction is a commercial transaction as defined in paragraph 1 of this Article, or a non-commercial transaction as defined in paragraph 2 of this Article, shall be decided by the Council of the parties involved.

ARTICLE 4

Commercial Purchases and Supply Constituents

1. Each member country when exporting wheat shall undertake to do so at prices consistent with the price range.

2. Each member country importing wheat undertakes that the maximum possible share of its total commercial purchases of wheat in any crop year shall be purchased from member countries, except as provided in paragraph 4 below. This share will have to be determined at a later stage and will be dependent upon the extent to which other countries adhere to the Agreement.

3. Exporting countries undertakes, in association with one another, that not more than their countries shall be used available for purchase by importing countries in any crop year at prices consistent with the price range to satisfy as a regular and continuous basis the demand requirements of those countries subject to the other provisions of this paragraph.

4. Under extraordinary circumstances a member country may be granted by the Council partial exception from the commitment contained in paragraph 2 upon submission of satisfactory supporting evidence to the Council.

5. Each member country when importing wheat from non-member countries shall undertake to do so at prices consistent with the price range.

6. For the purposes of this Agreement, except as provided in Article 5, any wheat purchased from an importing country by a second importing country which originated during that crop year from an exporting country shall be deemed to have been purchased from that exporting country by the second importing country. Subject to the provisions of Article 18, this paragraph shall apply to wheat flour only if the wheat flour originated from the exporting country concerned.

---

Footnotes:

1 Paragraphs 1-4 as in Section II of Memorandum of Agreement.

2 Article 4(3) of the International Wheat Agreement.

3 [Indications of additional footnotes or references were not provided in the document image provided.]
ARTICLE 3
Purchases at the Maximum Price

1. If the Council makes a maximum price declaration in respect of an exporting country, that country shall make available for purchase by importing countries not greater than the maximum price its balance of entitlement towards those countries to the extent that the balance of entitlement of any importing country, with respect to all exporting countries is not exceeded.

2. If the Council makes a maximum price declaration in respect of all exporting countries, each importing country shall be entitled, while the declaration is in effect:
   (a) To purchase from exporting countries at prices not greater than the maximum price its balance of entitlement with respect to all exporting countries:
   (b) To purchase wheat from any source without being regarded as committing any breach of paragraph 2 of article 4.

3. If the Council makes a maximum price declaration in respect of one or more exporting countries, but not all of them, each importing country shall be entitled while the declaration is in effect:
   (a) To make purchases under paragraph 5 of this article from such one or more exporting countries and to purchase the balance of its commercial requirements within the price range fixed by the other exporting countries, and
   (b) To purchase wheat from any source without being regarded as committing any breach of paragraph 2 of article 4 to the extent of its balance of entitlement with respect to such one or more exporting countries as at the effective date of the declaration, provided such balance is not larger than its balance of entitlement with respect to all exporting countries.

4. Whereby any importing country from an exporting country in excess of the balance of entitlement of that importing country with respect to all exporting countries shall not reduce the obligation of that exporting country under this article. The provisions of paragraph 6 of article 4 shall apply also to this article provided the balance of entitlement of any importing country with respect to all exporting countries is not thereby exceeded.

5. In determining whether it has fulfilled its required percentage under paragraph 2 of article 4, purchases made by any importing country while a maximum price declaration is in effect, subject to the limitations in paragraphs 2(b) and 3(b) of this article;

---

1 Article 6(1)(b) of DMU.
ARTICLE 5

Scope of Minimum Prices

The purpose of the schedule of minimum prices is to contribute to market stability by making it possible to determine when the level of market prices for any wheat is at or approaching the minimum of the range. Since price relationships between types and qualities of wheat fluctuate with competitive circumstances, provision is made for review of and adjustments in minimum price.

[Signature]

Section No. 1, paragraph 6 of Memorandum of Agreement.
ARTICLE 6.1
Prices of Wheat

1. The schedule of minimum and maximum prices, basis f.o.b. Gulf ports, is established for the duration of this Agreement as follows:

<table>
<thead>
<tr>
<th>Country</th>
<th>Minimum Price (USD per bushel)</th>
<th>Maximum Price (USD per bushel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>1.02</td>
<td>2.35</td>
</tr>
<tr>
<td>Manitoba 1</td>
<td>1.90</td>
<td>2.27</td>
</tr>
<tr>
<td>Manitoba 3</td>
<td>1.90</td>
<td>2.27</td>
</tr>
<tr>
<td>United States</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hard Red Winter No. 2 (ordinary)</td>
<td>2.23</td>
<td>2.43</td>
</tr>
<tr>
<td>Soft Red Winter No. 1</td>
<td>2.02</td>
<td>2.05</td>
</tr>
<tr>
<td>Argentina</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hard White No. 1</td>
<td>2.02</td>
<td>2.05</td>
</tr>
<tr>
<td>Western White No. 1</td>
<td>2.02</td>
<td>2.05</td>
</tr>
<tr>
<td>European Economic Community</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard</td>
<td>1.50</td>
<td>1.90</td>
</tr>
<tr>
<td>Swedish</td>
<td>1.50</td>
<td>1.90</td>
</tr>
</tbody>
</table>

2. The minimum prices and maximum prices for the specified Canadian and United States wheats, f.o.b. Pacific NW ports shall be 6 cents less than the prices in paragraph 1.

Paragraphs 1-7 are in Section I of Memorandum of Agreement.
9. The Executive Committee may in consultation with the Advisory Committee on Price Equivalents (Prices Review Committee) determine the minimum and maximum price equivalents for wheat at points other than those specified above and may also designate any description, class, type, grade or quality of wheat other than those specified in paragraph 1 of this Article and determine the minimum and maximum price equivalents thereof; provided that, in the case of minimum and maximum prices for the time being shall be derived from the same specified in this Article, or subsequently designated by the Executive Committee on Price Equivalents, which is nearest or by the deduction of an appropriate discount.

[Signature]

Article 6(5) of International Wheat Agreement.
ARTICLE 8

Countries which both Export and Import Wheat

To be deleted.

ARTICLE 8

Adjustments to Minimum Price

1. If the Secretariat of the Grains Council in the course of its continuous review of market conditions is of the opinion that a situation has arisen, or threatens imminently to arise, which appears to jeopardize the objectives of the arrangement with regard to the minimum price provisions, or if such a situation is called to the attention of the Secretariat of the Council by any member country, the Executive Secretary shall convene a meeting of the Prices Review Committee within two days and concurrently notify all member countries.

2. The Prices Review Committee shall review the price situation with the view to reaching agreement on action required by member participants to restore price stability and to maintain prices at or above minimum levels and shall notify the Executive Secretary when agreement has been reached and of the action taken to restore market stability.

3. If after three market days the Prices Review Committee is unable to reach agreement on the action to be taken to restore market stability, the chairman of the Council shall convene a meeting of the Council within two days to consider what further measures might be taken. If after not more than three days of review by the Council any member country in exporting or offering wheat below the minimum prices as determined by the Council, the Council shall declare whether provisions of the agreement shall be suspended and if so to what extent.

4. When any minimum price has been adjusted in accordance with the foregoing, such adjustments shall terminate when the Prices Review Committee or the Council finds that the conditions requiring the adjustments no longer prevail.

5. Exempted wheat shall be excluded from the provisions relating to minimum prices.

Section IV, paragraphs 1 to 5 of Memorandum of Agreement.
and that of all other exporting countries in subsequent crop years as having been purchased from that exporting country in the crop year concerned. It shall be sought, and if so in what amount, for the purpose of establishing the result of the operation of this paragraph.

8. If the entitlement as represented by the datum quantity of an exporting country is reduced under paragraphs 5 or 6 of this article to affect the relief shall be regarded as having been purchased in the crop year concerned from the exporting country in subsequent crop years.

ARTICLE 10

Adjustment in Case of Necessity to Safeguard Balance of Payments or Monetary Reserves

Any exporting country which fears that it may be prevented by the necessity to safeguard its balance of payments or monetary reserves from carrying out its obligations under this Agreement in respect of a particular crop year shall report the matter to the Council at the earliest possible date and apply to the Council to be relieved of a part or the whole of its obligations for that crop year. An application made to the Council pursuant to this paragraph shall be heard without delay.

1. If an application is made under paragraph 1 of this article, the Council shall seek and take into account, together with all facts which it considers relevant, the opinion of the International Monetary Fund, as far as the matter concerns a country which is a member of the Fund, on the existence and extent of the necessity referred to in paragraph 1.

2. The Council shall, in dealing with a request for relief under this article, have regard to the importance of the importing country's maintaining the principle that it should to the utmost extent feasible make purchases in that Agreement.

3. If the Council finds that the representations of the importing country concerned are well founded, it shall decide to what extent and on what conditions that country shall be relieved of its obligations for the crop year concerned. The Council shall inform the importing country of its decision.
ARTICLE 11
Adjustments and Additional Purchases
In Case of Critical Need

1. If a critical need has arisen or threatens to arise in its territory, an importing country may appeal to the Council for assistance in obtaining supplies of wheat. With a view to relieving the emergency created by the critical need, the Council shall give urgent consideration to the appeal and shall make appropriate recommendations to exporting and importing countries regarding the action to be taken by them.

2. In deciding what recommendation should be made in respect of an appeal by an importing country under the preceding paragraph, the Council shall have regard to the actual commercial purchases from exporting countries or to the extent of its obligations under article 4, as any appear appropriate in the circumstances.

3. No action taken by any exporting or importing country pursuant to a recommendation made under paragraph 1 of this article shall affect the data quantity of any exporting or importing country in subsequent crop years.

ARTICLE 12
Other Adjustments

1. An exporting country may transfer part of its balance of commitment to another exporting country, and an importing country may transfer part of its balance of entitlement to another importing country for a crop year, subject to approval by the Council by a majority of the votes cast by the exporting countries and a majority of the votes cast by the importing countries.

2. Any importing country may at any time, by written notification to the Council, increase its percentage undertaking referred to in paragraph 2 of article 4 and such increase shall become effective from the date of receipt of the notification.

3. Any importing country which considers that its interests in respect of its percentage undertaking under paragraph 2 of article 4 and annex A are seriously prejudiced by the non-participation in or withdrawal from this Agreement of any country listed in annex B holding not less than five percent of the votes distributed in annex B may, by written notification to the Council, apply for a reduction in its percentage undertaking. In such a case, the Council shall raise the importing country's percentage undertaking by the proportion that its maximum annual commercial purchases during the years determined under article 15 with respect to the non-participating or withdrawing country bear to its data quantity with respect to all countries listed in annex B and shall further reduce such revised percentage undertaking by subtracting two and one half.

4. The data quantity of any country exceeding under paragraph 1 of article 35 shall be offset, if necessary, by appropriate adjustments by way of increase or decrease in the data quantities of one or more exporting or importing countries, as the case may be. Such adjustments shall not be approved unless each exporting or importing country whose data quantity is thereby changed has consented.
PART IV. ADMINISTRATION OF RIGHTS AND OBLIGATIONS

ARTICLE 13
Maximum Price Declarations

1. As soon as any of the wheat other than durum wheat or certified seed shall be made available for purchase by importing countries at prices not less than the maximum price, an exporting country shall notify the Council to that effect. On receipt of such notification the Executive Secretary acting on behalf of the Council shall, except as otherwise provided in paragraph 4 of this article and paragraph 4 of Article 15, make a declaration accordingly, referred to in this agreement as a maximum price declaration. The Executive Secretary shall communicate that maximum price declaration to all exporting and importing countries as soon as possible after it has been made.

2. As soon as all of the wheat which has been made available at not less than the maximum price, other than durum wheat or certified seed wheat, is again made available for purchase by importing countries at prices less than the maximum price, an exporting country shall notify the Council to that effect. Thereupon, the Executive Secretary, acting on behalf of the Council, shall terminate the maximum price declaration in respect of that country by making a further declaration accordingly. He shall communicate such further declaration to all exporting and importing countries as soon as possible after it has been made.

3. The Council shall, in its rules of procedure, prescribe regulations to give effect to paragraphs 1 and 2 of this article, including regulations determining the effective date of any declaration made under this article.

4. If at any time in the opinion of the Executive Secretary an exporting country has failed to make a notification under paragraph 1 or 2 of this article, or has made an incorrect notification, he shall, without prejudice to the latter one to the provisions of paragraph 1 or 2, convene a meeting of the Advisory Committee on Price Stability/Price Policy Committee. If at any time in the opinion of the Executive Secretary an exporting country has made a notification under paragraph 1 but the facts relating thereto do not warrant a maximum price declaration, he shall not make such a declaration but shall refer the matter to the Advisory Committee. If the Advisory Committee so directs under this paragraph or in accordance with Article 15 that a declaration under paragraphs 1 or 2 should be or should not be made or is incorrect, as the case may be, the importers Committee acting on behalf of the Council may make or refrain from making a declaration accordingly, or amend any declaration then in effect, whichever may be appropriate. The Executive Secretary shall communicate any such declaration or cancellation to all exporting and importing countries as soon as possible.
ARTICLE 14

Action at or Approaching the Minimum Price

To be deleted.

ARTICLE 35

Establishment of Quota Quantities

1. Quota quantities as defined in Article 2 shall be established for each crop year on the basis of average annual commercial purchases during the first five crop years.

2. Before the beginning of each crop year, the Council shall establish for each crop year the quota quantity of each importing country with respect to all exporting countries and the quota quantity of each exporting country with respect to all importing countries and to each such country.

3. The quota quantities established in accordance with the preceding paragraph shall be re-established whenever a change in the membership of this Agreement occurs, regard being had where appropriate to any conditions of accession prescribed by the Council under Article 35.
ARTICLE 16

Section 1.
For the purposes of the operation of this Agreement, the Council shall keep records for each crop year of all commercial purchases made by importing countries from all sources and of all such purchases made from exporting countries.

Section 2.
The Council shall also keep records as to all times during a crop year a statement of the balance of credit of each exporting country with respect to all importing countries and of the balance of settlement of each importing country with respect to all exporting countries and to each such country maintained. Statements of such balances shall, at intervals prescribed by the Council, be circulated to all exporting and importing countries.

Section 3.
For the purposes of paragraph 2 of this article and of paragraph 2 of article 4, commercial purchases by an importing country from an exporting country entered in the Council's records shall also be entered as against the obligations of exporting and importing countries under articles 4 and 5 or those obligations as adjusted under other articles of this Agreement, if the loading period falls within the crop year and

(a) In the case of importing countries, the purchases are at prices not lower than the minimum price, and

(b) In the case of exporting countries, the purchases are at prices within the price range including, for the purposes of article 3, the minimum price.

Commercial purchases of wheat flour entered in the Council's records shall also be entered as against the obligations of exporting and importing countries under the same conditions, provided that the price of such wheat flour is consistent with a price for wheat in accordance with article 7.

Section 4.
If an importing country and a country making wheat available for purchase so agree, purchases at prices above the maximum price shall not be regarded as breach of articles 4, 5 or paragraph 2 of article 8, shall be entered as against the obligations, if any, of the countries concerned. No maximum price declaration shall be made in respect of such purchases from an exporting country, nor shall they in any way affect the obligations of the exporting country concerned to other importing countries under article 4.

Section 5.
In the case of durum wheat and certified good wheat, a purchase entered in the Council's records shall also be entered as against the obligations of exporting and importing countries under the same conditions, whether or not the price is above the maximum price.

6. Provided that the conditions prescribed in paragraph 3 of this article are satisfied, the Council may authorize purchases to be recorded for a crop year if

(a) The loading period involved is within a reasonable time up to one month, to be decided by the Council, before the beginning or after the end of that crop year, and

(b) The exporting and importing country concerned so agree.

7. For the period of closed navigation between Fort William-Port Arthur and the Canadian Atlantic ports, a purchase shall, notwithstanding the provisions of paragraph 3, be eligible for entry in the Council's records against the obligations of the exporting and importing country concerned in accordance with this article if it relates to

(a) Canadian wheat which is moved by an all-rail route from Port William/Port Arthur to Canadian Atlantic ports, or

(b) United States wheat which, except for conditions beyond the control of the buyer and the seller, would be moved by lake and rail to United States Atlantic ports, provided that payment of the extra transportation cost thereby incurred is agreed between the buyer and the seller.

8. The Council shall prescribe rules of procedure for the reporting and recording of all commercial purchases and special transactions. In those rules, it shall prescribe the frequency and the manner in which those purchases and transactions shall be reported and shall prescribe the duties of exporting and importing countries with regard thereto. The Council shall also make provision for the settlement of any disputes arising in connection therewith.

9. Each exporting country and each importing country may be permitted, in the fulfillment of its obligations, a degree of tolerance to be prescribed by the Council for that country on the basis of the extent of those obligations and other relevant factors.

10. In order that as complete records as possible may be maintained and for the purposes of article 23, the Council shall also keep separate records for each crop year of all special transactions entered into by an exporting or importing country.
ARTICLE 17

Estimation of Requirements and Availability of Wheat

1. By 1 October in the case of Northern Hemisphere countries and 1 February in the case of Southern Hemisphere countries, each importing country shall notify the Council of its estimate of its commercial requirements of wheat from exporting countries in that crop year. Any importing country may thereupon notify the Council of any change it may desire to make in its estimate.

2. By 1 October in the case of Northern Hemisphere countries and 1 February in the case of Southern Hemisphere countries, each exporting country shall notify the Council of its estimate of the wheat it will have available for export in that crop year. Any exporting country may thereafter notify the Council of any changes it may desire to make in its estimate.

3. All estimates notified to the Council shall be used for the purpose of the administration of the Agreement and may only be made available to exporting or importing countries on such conditions as the Council may prescribe. Estimates submitted in accordance with this article shall in no way be binding.

4. Exporting and importing countries shall be free to fulfill their obligations under this Agreement through private trade channels or otherwise. Nothing in this Agreement shall be construed to exempt any private trader from any laws or regulations to which he is otherwise subject.

5. The Council may, at its discretion, require exporting and importing countries to co-operate together to ensure that an amount of wheat equal to at least 10 per cent of the duties quantities of exporting countries for any crop year shall be available for purchase by importing countries under this Agreement after 31 January of that crop year.
ARTICLE 19

Performance under Articles 4 and 5

1. The Council shall as soon as practicable after the end of each crop year review the performance of exporting and importing countries in relation to their obligations under Articles 4 and 5 during that crop year.

2. For the purposes of this review the tolerances as specified by the Council under paragraph 9 of Article 15 shall apply.

3. On application by an importing country in respect of the performance of its obligations in the crop year, the Council may take into account the amount of flour purchased by it from another importing country provided it can be shown to the satisfaction of the Council that such flour was wholly milled from wheat purchased within the Agreement from exporting countries.

4. In considering the performance of any importing country in relation to its obligations in the crop year:

(a) The Council shall disregard any exceptional importation of wheat from the Council that such wheat has been or will be used only as feed or the Council shall be by a majority of the votes held by exporting countries and a majority of the votes held by importing countries.

(b) The Council shall disregard any importation from other than importing countries of wheat which has been diverted for use as feed in a manner acceptable to the Council.

5. In considering the performance of any importing country in relation to its obligations in the crop year the Council may also disregard any purchases by the country concerned of durum wheat from other importing countries which are traditional exporters of durum wheat.

ARTICLE 20

Defauls under Articles 4 or 5

1. If, on the basis of the review made under Article 19, any country appears to be in default of its obligations under Articles 4 or 5, the Council shall decide what action should be taken.

2. Before reaching a decision under this Article, the Council shall give any importing or exporting country concerned the opportunity to present any facts which it considers relevant.

3. If the Council finds by a majority of the votes held by exporting countries that a majority of the votes held by importing countries that an exporting country or an importing country is in default under Articles 4 or 5, it may by decision approve the country concerned of its voting rights for such time as the Council may determine, reduce the other rights of that country to the extent which it considers commensurate with the default, or expel that country from participation in the Agreement.

4. No action taken by the Council under this Article shall in any way reduce its obligations under Article 19 in respect of its financial contributions to the Council unless that country is expelled from participation in the Agreement.
ARTICLE 21

Disputes and Complaints

1. Any dispute concerning the interpretation or application of this Agreement, other than a dispute under Articles 19 and 20 which is not settled by negotiation, shall, if the request of any country party to the dispute, be referred to the Council for decision.

2. In any case where a dispute has been referred to the Council under paragraph (1) of this Article, a majority of countries, or any countries holding at least one third of the total votes, may require the Council, after full discussion, to seek the opinion of the advisory panel referred to in paragraph 3 on the issue in dispute before giving its decision.

3. (a) Unless the Council unanimously agrees otherwise, the panel shall consist of:

(i) two persons, one having wide experience in matters of the kind in dispute and the other having legal standing and experience in the exporting countries;

(ii) two such persons nominated by the importing countries;

(iii) a chairman selected unanimously by the four persons nominated under (i) and (ii) or, if they fail to agree, by the chairman of the Council.

(b) Persons from countries whose governments are parties to this Agreement shall be eligible to serve on the advisory panel. Persons appointed to the panel shall not be in any personal capacities and without instructions from any government.

(c) The expenses of the advisory panel shall be paid by the Council.

4. The opinion of the advisory panel and the reasons therefor shall be submitted to the Council which, after considering all the relevant information, shall decide the dispute.

5. Any complaint that any exporting or importing country has failed to fulfill its obligations under this Agreement shall, at the request of the country alleging the complaint, be referred to the Council, which shall make a decision on the matter.
5. Subject to the provisions of article 20, any exporting or importing party shall be found to have committed a breach of this agreement only by a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries. Any finding that an exporting or importing country has committed a breach shall be recorded in writing by that country in the obligations under article 6 with the consent of such default.

6. Subject to the provisions of article 29, if the Council finds that an exporting country or an importing country has committed a breach of this agreement, it may, by a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries, deport the export or import prohibited by the ruling party until it fulfills its obligations or agrees to terminate participation in the agreement.

PART V. GENERAL PROVISIONS AND APPLICATION OF ARTICLE 23

ARTICLE 23

(1) Subject to the objectives of this agreement as set forth in article 1 of this General Agreement, the Council shall make agreements and regulations concerning the terms upon which the provisions of this agreement shall be carried out in the light of information obtained in relation to national production, stocks, prices, trade, imports, and agricultural activity, in order to ensure that these efforts be kept in hand by those countries in determining and administering their internal agricultural and price policies.

(2) The Council shall be required to consider the information obtained in the light of information obtained in relation to national production, stocks, prices, trade, imports, and agricultural activity, in order to ensure that these efforts be kept in hand by those countries in determining and administering their internal agricultural and price policies.

(3) The Council shall be required to consider the information obtained in the light of information obtained in relation to national production, stocks, prices, trade, imports, and agricultural activity, in order to ensure that these efforts be kept in hand by those countries in determining and administering their internal agricultural and price policies.

(4) The Council shall be required to consider the information obtained in the light of information obtained in relation to national production, stocks, prices, trade, imports, and agricultural activity, in order to ensure that these efforts be kept in hand by those countries in determining and administering their internal agricultural and price policies.

(5) The Council shall be required to consider the information obtained in the light of information obtained in relation to national production, stocks, prices, trade, imports, and agricultural activity, in order to ensure that these efforts be kept in hand by those countries in determining and administering their internal agricultural and price policies.

(6) The Council shall be required to consider the information obtained in the light of information obtained in relation to national production, stocks, prices, trade, imports, and agricultural activity, in order to ensure that these efforts be kept in hand by those countries in determining and administering their internal agricultural and price policies.
5. Nothing in this article shall prejudice the complete liberty of acting any exporting or importing country in the determination and administration of its internal agricultural and price policies.

ARTICLE 24

Consumption and Utilization of Foodstuffs

1. As appropriate, the Council shall consider and inform exporting and importing countries of means through which the consumption of foodstuffs may be increased. To this end the Council may undertake, in co-operation with exporting and importing countries, studies of such nature as:

(a) Factors affecting the consumption and production of foodstuffs in various countries; and

(b) Means of achieving increased consumption and production particularly in countries where the possibility of increased consumption is found to exist.

Any exporting or importing country may submit to the Council information which it considers relevant to the attainment of this purpose.

2. Exporting and importing countries, recognizing the special problems of developing countries, shall pay due regard to the principle that excess wheat supplies should, where possible, be effectively utilized in raising levels of consumption and in assisting in general economic and market development in developing countries with less levels of individual income.

There shall be made available, on special terms, the importing and exporting countries concerned undertake that such arrangements will be made without harmful interference with normal patterns of production and international commercial trade.

3. Any exporting or importing country which makes excess foodstuffs available on special terms under a government assisted programme undertakes to provide the Council promptly with detailed information relating to such agreements entered into and to report regularly shipments made under such agreements.
NOTE ON TERMINOLOGY USED IN THE WORKING DOCUMENT (GATT/61/66)

Submitted by the Ad Hoc Technical Group

1. The provisions of the Memorandum of Agreement contain three specific changes on those of the International Wheat Agreement, 1964. These are:

   (i) a generalization to all member countries of the obligation to observe the price range

   (ii) an extension to all member countries of the obligation to purchase a maximum share of their total commercial purchases from other member countries

   (iii) an alteration in the terms governing the performance of the obligation under (ii), inasmuch as purchases from all member countries are taken into account.

2. In the International Wheat Agreement, 1962, importing and exporting countries were respectively defined by being individually listed. In the Memorandum of Agreement no such clear distinction is made. However, in the Memorandum, and in particular in paragraph 3 of II (Article ii/ of the working document), obligations and rights are conferred on "exporting countries" and "importing countries" respectively, in terms that make it clear that some similar distinctions will have to be drawn in the Agreement. In addition, there are provisions which apply to all member countries.

3. The working document (GATT/61/66), by combining provisions of the Memorandum of Agreement with provisions from Articles ii-2 of the International Wheat Agreement, contains a number of references which are no longer consistent. In addition, the International Wheat Agreement, 1962, when referring to all member countries, speaks of "exporting and importing countries". The Technical Group considered it better to use the term "member countries".

4. The tabulation below attempts to show the inter-relationship of certain provisions with a view to obtaining consistency in the terminology used.
<table>
<thead>
<tr>
<th>Article and paragraph</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 4/1</td>
<td>Number country when exporting - applies to all member countries.</td>
</tr>
<tr>
<td>Article 4/2</td>
<td>Number country importing - applies to all member countries.</td>
</tr>
<tr>
<td>Article 4/3</td>
<td>Exporting countries. - For the purpose of this paragraph it would seem appropriate to identify the exporting countries in an Annex. Applies to all member countries.</td>
</tr>
<tr>
<td>Article 4/4</td>
<td>Applies to all member countries.</td>
</tr>
<tr>
<td>Article 4/5</td>
<td>Applies to all member countries.</td>
</tr>
<tr>
<td>Article 4/6</td>
<td>In the International Wheat Agreement this provision related to the importers' percentage obligation and the exporters' unitary quantity obligation (Articles 3 and 15(2)). It can now only relate to the latter. If a corresponding provision is thought to be required for the percentage obligation (to occur in the case of member country from another member country via trans-shipment in a non-member country) it will have to be provided separately. The reference to Article 19 may have to be reconsidered depending on any change which may be made in Article 19. Relates to Article 4/5. No change would seem required.</td>
</tr>
<tr>
<td>Article 5/1-5</td>
<td>No change required.</td>
</tr>
<tr>
<td>Article 6/1(a)</td>
<td>(see 17(67)166/Nov.2)</td>
</tr>
<tr>
<td>Article 7/1</td>
<td>Line 4: relates to any member country. Line 5: relates to any member country or countries.</td>
</tr>
<tr>
<td>Article 7/2</td>
<td>Relates to all member countries.</td>
</tr>
<tr>
<td>Article 8/1-3</td>
<td>The terms &quot;member country&quot; or &quot;member participants&quot; relate to Article 4/1.</td>
</tr>
<tr>
<td>Article 9/2</td>
<td>The obligations referred to are the obligations under Articles 4/3 and 5. This might need to be specified. Otherwise no change would seem required.</td>
</tr>
<tr>
<td>Article 10</td>
<td>The term &quot;importing country&quot; might be changed to &quot;member country&quot;.</td>
</tr>
</tbody>
</table>
The term "exporting country" may be replaced by "member country" provided reference is made to obligations under Article 4, paragraphs 2 and 3.

It is noted that the terms "food-aid contributing countries" and "food-aid receiving countries" are introduced, this would seem to require a special definition in Article 3.

No change required.

Relate to "member countries".

No change required.

No change would seem required.

No change would seem required, although it is noted that the reference to Article 4 may be too wide.

No change would seem required.

Although this provision relates to two different sets of obligations the term "exporting and importing countries" could read "member countries".

This provision relates to Article 4/2 and applies to all member countries. It also relates to Article 4/6 in its present form. It would seem questionable whether this provision should be maintained in its present form.

This provision relates to Article 4/2. The terms "exporting country" and "importing countries" are the first line and in sub-paragraph (a) refer to member countries. The term "other than exporting countries" in sub-paragraph (b) might as changed into "non-member countries".

This provision relates to Article 4/2. The term "exporting country" in the first line might be changed to "member country", the term "other importing countries" in the third line would seem to require a change into "non-member countries". This paragraph could be deleted depending on what the eventual membership of the Agreement turns out to be.

The terms "exporting country" or "importing country", except as regards wording, might be changed to "member countries".

Relates to all member countries.

Relates to member countries.

Relates to member countries, except as regards wording.

Relates to member countries, except as regards wording.

This article relates to "member countries".

This article relates to "member countries".
AMOUNT OF STATEMENTS OR ADJUSTMENTS IN MINIMUM PRICES

In response to clarifications sought by the representatives of India and Malaya on 7 June, the following statements were made in explanation of Articles IV, Paragraph 1-5, of the Memorandum of Agreement reproduced as Article 84 of the Draft Grains Agreement (1970/71/61).

The representative of the United States pointed out that for the present purpose of its existence the International Wheat Agreement had identified a specific minimum and maximum price for only one type of wheat - Minnesota No. 3, to top quality. The result had been to leave to administrative determination, as required, the minimum and maximum prices for other wheats. As a consequence, there had been no identifiable floor for wheats generally and considerable uncertainty as to when the floor was reached.

The new Agreement represented a major effort to correct this situation by establishing a price schedule for representative wheats. Nevertheless, it recognized the need to establish relative prices for various wheats fluctuate with market conditions and that therefore it was impossible to act in advance a schedule of prices which would prove equitable under the conditions that were likely to prevail at some future time when prices might in fact reach the minimum. The amounts of prices in the Agreement, of course, only be relevant when prices were at either the minimum or maximum. At all other times market forces would determine the relative prices.

The purpose of the schedule of minimum prices was to contribute to market stability by making it possible to determine when the level of market prices for wheat was at or approaching the minimum of the range. Since price relationships between types and qualities of wheat fluctuate with competitive circumstances, provision was made for review of and adjustments to minimum prices. The schedule of minimum prices that appears in the Agreement was the result of widespread agreement on minimum price schedules and classification of wheats as required. The United States delegation regarded, nevertheless, the minimum prices as the prices that would prevail at the beginning of the Agreement.

The prices below the published schedule of minimum prices of the Agreement.
However, if supply and demand conditions were such as to force prices to the minimum, there would be an obligation on all exporters to adjust supply of the Agreement. It would not always be appropriate to rely on prices alone in accordance with the procedures provided in the Agreement; provision was made no longer existed. In other words, if prices fell to the minimum and adjustments would then be cancelled. If prices later again fell to the minimum, adjustments in the schedule might again be made in the published schedule of minimum prices.

The representative of Canada recalled that the representative of India and Pakistan asked a series of questions about the price range and the provision for adjustment of the Agreement. It was noted that there was widespread recognition by exporters that the prices should be established on the basis of the Agreement, which would bring about stability in the prices at which the commodities were wanted, and the range of minimum and maximum prices which were in a position to establish a commercial relationship. The minimum prices in the Agreement were subject to current selling prices and had been for some time. The minimum prices were fixed in terms of supplies and demand and could provide some grounds for believing that the minimum prices could result below the selling prices.

The Canadian delegate went on to explain that effective minimum prices were essential for a sound international wheat agreement. The objective of Article 6 of the Agreement was to provide for a framework which would ensure that the minimum levels set out in the Agreement would be adhered to. This was so that the provisions would be meaningful and of practical use. The Article provided for a framework which would ensure that the minimum levels set out in the Agreement would be adhered to. The Canadian delegate went on to explain that the objective of Article 6 of the Agreement was to provide for a framework which would ensure that the minimum levels set out in the Agreement would be adhered to. The Article provided for a framework which would ensure that the minimum levels set out in the Agreement would be adhered to.

The representative of the United Kingdom suggested that the procedures laid down in Article 6 were designed to deal with two problems arising from the Agreement generally related to the highest grade and quality of a particular type of wheat, but when prices were below the minimum, it might be necessary to determine minimum prices for various grades and qualities of an individual type of wheat or for other wheat. The second problem, which had already been covered by the representatives of the United States and Canada, related to the differentials between the different wheats which might arise between the market situation when the minimum was reached, adjustments in the minimum prices for wheats listed in the schedule might be cancelled once the market situation, which had necessitated them, had passed.

Without violating in any way the wording contained in the Agreement, it was the feeling of the United Kingdom delegation that Article 6 might have to be elaborated upon in order to provide an adequate legal basis for the procedures envisaged.

The representative of Australia said that the minimum pricing provisions of the Agreement should be viewed in their historical perspective. It was true that the present International Wheat Agreement had contained a minimum price for wheat, but that had been based on the basis of the minimum. The Government had decided to introduce more effective minimum pricing provisions, and in the hope of Australia that it would be possible to establish firmly differentials for all types of wheat. It had, however, been recognized that the differentials established might not in the short term reflect the market situation at the minimum. They might even exist in the long term in the pricing of an agreement. It had, therefore, been necessary to declare some of the adjustments of price at the quality of grade which would apply to any subsequent price on the Agreement. Various techniques had been considered but after considerable discussion the procedures set out in Articles 6 and 6A seemed satisfactory.

As regards the points raised by the representative of the United Kingdom concerning further elaboration of procedures in Article 6, it was suggested that it might be appropriate to provide for this elaboration under the rules of Procedure which would have to be drafted.

The representative of India thanked the representatives who had explained the provisions of Article 6A and the establishment of a schedule of prices with fixed quality differentials given to producers which differed from those inherent in the International Wheat Agreement. It was the hope that sufficient flexibility would be introduced at the minimum so as to prevent any undue impingement on domestic price movements reflecting market circumstances as they.
developing countries, many of which had acute balance-of-payments problems, would be able to benefit from lower prices for their imports. To avoid raising food prices established were too high and that attempts to reduce the prices of commodities attained for a green revolution and also for developing countries. It was the staple diet of many who were already undernourished. India had by utilising marketing techniques. It was the hope of his colleagues that 9% in India's total exports. They were determined to move away from the natural movement of market conditions.
The objectives of this Agreement are:

(a) To promote the expansion of the international trade in grains and to secure the freest possible flow of this trade in the interests of both exporting and importing countries;

(b) To promote a better balance between world supplies of grains and commercial and non-commercial demands;

(c) To assure supplies of wheat and wheat flour to importing countries and markets for wheat and wheat flour to exporting countries at equitable and stable prices;

(d) To provide for a multilateral food aid programme for the benefit of developing countries, both importers and exporters, to assure the efforts of developing countries to help themselves to a greater degree of self-sufficiency, particularly in meeting their food needs;

(e) To provide for the broadest possible multilateral co-operation between participating countries in connexion with international grains problems and for the purpose of the proper functioning of the Agreement.

Text suggested by the United States delegation.

Addition suggested by representative of India.

From Article 1, INR, 1960.


The objectives of this Agreement are:

(a) to assure supplies of wheat and wheat flour to importing countries and markets for wheat and wheat flour to exporting countries at equitable and stable prices;

(b) to promote the expansion of the international trade in wheat and wheat flour and to secure the freest possible flow of this trade in the interests of both exporting and importing countries, and thus contribute to the development of countries, the economies of which depend on commercial sales of wheat;

(c) to overcome the serious hardship caused to producers and consumers by bumperman surpluses and critical shortages of wheat;

(d) to provide a food-aid programme, with contributions on a multilateral basis, for the benefit of developing countries, both importers and exporters;

(e) to encourage the use and consumption of wheat and wheat flour generally, and in particular in developing countries, so as to improve health and nutrition in these countries and thus to assist in their development; and

(f) in general to further international co-operation in connexion with world grain problems.

Text suggested by the United Kingdom delegation.

From Article 1, INR, 1960.
3. For the purposes of this Agreement:

(a) "Executive Committee" means the Committee established under Article 30;

(b) "Exporting country" means, as the context requires, either:

1. The Government of a country listed in Annex 3 which has accepted or acceded to this Agreement and has not withdrawn therefrom; or

2. That country itself and the territories in respect of which the rights and obligations of its Government under this Agreement apply.

(c) "F.A.S." means free average quality;

(d) "F.O.B." means free on board (gang) vessel or case-going vessel, as the case may be, and in the case of "weight" F.O.B. wheat delivered at a Rhine port, free on board river craft;

(e) "Importing country" means, as the context requires, either:

1. The Government of a country listed in Annex 3 which has accepted or acceded to this Agreement and has not withdrawn therefrom; or

2. That country itself and the territories in respect of which the rights and obligations of its Government under this Agreement apply;

(f) "Marketing costs" means all usual charges incurred in marketing, chartering, and forwarding;

(g) "Maximum price" means the maximum price specified in or determined under Articles 6 or 7 of these rules, as the context requires;

(h) "Maximum price declaration" means a declaration made in accordance with Article 13;

(i) "Metric ton", or 1,000 kilograms, means 35.24 lb. bushels;

(j) "Minimum price" means the minimum price specified in or determined under Articles 6 or 7 of these rules, as the context requires;

(k) "Prices range" means prices between the maximum and minimum prices specified in or determined under Articles 6 or 7, including the maximum price and excluding the minimum price;

(l) "Purchase" means a transaction for the purchase of wheat exported to be exported from an exporting country or from other than an exporting country, as the case may be, or the quantity of such wheat so purchased, as the context requires. Where reference is made in this Agreement to a purchase it shall be understood to mean a transaction for the purchase of wheat exported.
understood to refer not only to purchases concluded between the governments concerned but also to purchases concluded between private traders and the government concerned. In this context, the term "government" shall be deemed to include the government of any territory in respect of which the Department of the United Nations has taken the agreement in question under Article 37.

(a) "Territory" is defined as an exporting or importing country included in the agreements of the governments of that country. Article 37 shall apply.

(b) "Wheat" includes wheat grain of any description, class, type, grade or quality and, except in Article 6, wheat flour.

2. All calculations of the weight of the equivalent of purchases of wheat flour shall be based on the rate of extraction determined by the country of origin for the weight of flour and shall, for the purpose of such calculations, be deemed equivalent to 100 units by weight of wheat grain unless otherwise decided otherwise.

ARTICLE 3

Commercial and Non-Crémierial Transactions

An alternative 1

1. A commercial transaction for the purposes of this Agreement is a transaction which is subject to the usual commercial practices in international trade. Sales for credit are commercial transactions provided that such sales are consistent with the terms of the Agreement, are conformable to usual market practices, and do not involve rates of interest above the prevailing rates charged by the International Bank for Reconstruction and Development. Sales for credit in excess of six months shall normally be subject to rates generally obtaining in commercial terms of six months or less. Provided the terms are consistent with the criteria set forth in paragraph 2, commercial transactions include sales or credit, agreed by public or private entities, with or without credit insurance, sales under trade agreements with special payment arrangements, and other transactions.

2. All transactions not conforming to the criteria set forth in paragraph 1 are non-commercial transactions. Such transactions include, among others:

(a) sales on credit or terms which do not conform to those specified in paragraph 1;

(b) sales for the currency of the importing country which is not transferable or convertible into currency or goods and services for use in or by the exporting country;

(c) a gift of wheat or a purchase of wheat or a monetary grant by the exporting country made for that specific purpose;

1. The United States delegation reserved its position on the rate of extraction.

2. This section is referred to the relevant sections of the Agreement on the elimination of agricultural subsidies and the introduction of a new system of support for agriculture.

3. This section is referred to the relevant sections of the Agreement on the elimination of agricultural subsidies and the introduction of a new system of support for agriculture.
(d) sales under trade arrangements with special payments arrangements which include clearing accounts for settling credit balances bilaterally through the exchange of goods the terms of which do not conform to paragraph 1.

3. Any question raised by the Executive Secretary or any other country as to whether a transaction is a commercial transaction as defined in paragraph 1 of this Article or a non-commercial transaction as defined in paragraph 2 of this Article shall be decided by the Council.

For the purpose of this Agreement:

(a) commercial purchases are purchases which conform to the usual commercial practices in international trade and do not include those transactions referred to in sub-paragraph (c) below;

(b) commercial purchases include purchases on credit, extended by public or private entities, with or without credit insurance, and whether or not obtained under a loan from the government of the exporting country tied to the purchase of wheat, provided that such credit is for terms of no more than three years, and with interest rates no less than the prevailing rates charged by the International Bank for Reconstruction and Development;

(c) non-commercial transactions include the following:

(i) sales on credit the terms of which do not conform with those specified in sub-paragraph (b) above;

(ii) sales for currency of the importing country which is not transferable or convertible into currency or goods for use in the exporting country;

(iii) sales under trade arrangements with special payments arrangements which include clearing accounts for settling credit balances bilaterally through the exchange of goods, except where the exporting country and the importing country concerned agree that the sale shall be regarded as commercial;

Text suggested by the delegations of Japan and the United Kingdom.
(iv) barter transactions:

(1) which result from the intervention of governments when wheat is exchanged at other than prevailing world prices;

(II) which involve sponsorship under a government purchase program, except where the purchase of wheat results in a barter transaction in which the country of final destination was not named in the original barter contract;

(v) a gift of wheat or a purchase of wheat out of a monetary grant by the exporting country made for that specific purpose;

(vi) any other category of transaction which do not conform with usual commercial practices, as the Council may prescribe.

2. Any question raised by the Executive Secretary or by any member country as to whether a transaction is a commercial purchase as defined in paragraphs (i) and (1) of this Article or a non-commercial transaction as defined in paragraph (vi) of this Article shall be decided by the Council.¹

PART II. RIGHTS AND OBLIGATIONS

ARTICLE 2

Commercial Purchase and Supply Commitments

1. Each member country when exporting wheat undertakes to do so at prices consistent with the price range.

2. Each member country importing wheat undertakes that the maximum possible share of the total commercial purchases of wheat in any crop year shall be purchased from member countries, except as provided in paragraph 5 below. This share will have to be determined at a later stage and will be dependent upon the extent to which other countries accord to the Agreement.

3. Exporting countries undertake, in consultation with one another, that wheat from their countries shall be made available for purchase by importing countries in any crop year at prices consistent with the price range in commercial requirements of those countries subject to the other provisions of this agreement.

4. Under extraordinary circumstances a member country may be granted by the Council partial exemption from the commitment contained in paragraph 2 upon submission of satisfactory supporting evidence to the Council.²

5. Each member country when importing wheat from non-member countries shall undertake to do so at prices consistent with the price range.³

6. For the purposes of this Agreement, except as provided in Article 5, any wheat purchased from an importing country by a second importing country which has been purchased from that importing country by the second importing country shall be deemed to have been purchased from that importing country by the second importing country. Subject to the provisions of Article 19, this paragraph shall apply to wheat flour only if the wheat flour originated from the importing country concerned.

¹Paragraphs 1-5 as in Section II of Memorandum of Agreement.

²Finland has entered a formal reservation concerning paragraphs 2 to 4 09.6.(ECO07)/06/97.

³The Indian and Pakistani representatives indicated reservations on paragraphs 1 to 5.

⁴Article 4(1) of the International Wheat Agreement.
ARTICLE 3
Purchases at the Maximum Price

1. If the Council makes a maximum price declaration in respect of an exporting country, that country shall make available for purchase by importing countries a quantity not greater than the maximum price its balance of commitment towards those countries to the extent that the balance of entitlement of any importing country with respect to all exporting countries is not exceeded.

2. If the Council makes a maximum price declaration in respect of all exporting countries, each importing country shall be entitled, while the declaration is in effect:
   (a) To purchases from exporting countries at prices not greater than the maximum price its balance of entitlement with respect to all exporting countries; and
   (b) To purchases from any sources without being regarded as committing any breach of paragraph 2 of Article 4.

3. If the Council makes a maximum price declaration in respect of one or more exporting countries, but not all of them, each importing country shall be entitled, while the declaration is in effect:
   (a) To make purchases under paragraph 5 of this article from such one or more exporting countries and to purchase the balance of its commercial requirements within the price range from the other exporting countries, and
   (b) To purchase wheat from any sources without being regarded as committing any breach of paragraph 4 of Article 4 in the extent of the balance of entitlement with respect to such one or more exporting countries as at the effective date of the declaration, provided such balance is not larger than its balance of entitlement with respect to all exporting countries.

4. Purchases by any importing country from an exporting country in excess of the balance of entitlement of that importing country with respect to all exporting countries shall not reduce the obligation of that exporting country under this Article. The provisions of paragraph 5 of Article 6 shall apply also to this Article provided the balance of entitlement of any importing country with respect to all exporting countries is not thereby exceeded.

5. In determining whether it has fulfilled its required percentage under paragraph 2 of Article 4, purchases made by any importing country while a maximum price declaration is in effect, subject to the limitations in paragraphs 2(b) and 3(c) of this Article:

(a) shall be taken into account if those purchases were made from any exporting country, including an exporting country in respect of which the declaration was made, and

(b) shall be entirely disregarded if those purchases were made from a country other than an exporting country.
ARTICLE 5.1

Rate of Minimum Prices

The purpose of the schedule of minimum prices is to contribute to market stability by making it possible to determine when the level of market prices for any wheat is at or approaching the minimum of the range. Since price relationships between types and qualities of wheat fluctuate with competitive circumstances, provision is made for review of and adjustments to minimum prices.

ARTICLE 6.1

Prices of Wheat

1. The schedule of minimum and maximum prices, basis f.o.b. Gulf ports, is established for the duration of this Agreement as follows:

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>US$88</td>
<td>US$98</td>
</tr>
<tr>
<td>Canada</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manitoba</td>
<td>1.69</td>
<td>2.39</td>
</tr>
<tr>
<td></td>
<td>1.90</td>
<td>2.50</td>
</tr>
<tr>
<td>United States</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hard Northern Spring No. 1, 14 per cent</td>
<td>1.83</td>
<td>2.23</td>
</tr>
<tr>
<td>Hard Red Winter No. 2 (ordinary)</td>
<td>1.73</td>
<td>2.13</td>
</tr>
<tr>
<td>Western White No. 1</td>
<td>1.67</td>
<td>2.08</td>
</tr>
<tr>
<td>Soft Red Winter No. 1</td>
<td>1.60</td>
<td>2.00</td>
</tr>
<tr>
<td>Argentina</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plate</td>
<td>1.73</td>
<td>2.13</td>
</tr>
<tr>
<td>Australia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F.A.C.</td>
<td>1.68</td>
<td>2.08</td>
</tr>
<tr>
<td>European Economic Community</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard</td>
<td>1.90</td>
<td>1.90</td>
</tr>
<tr>
<td>面包</td>
<td>1.50</td>
<td>1.90</td>
</tr>
</tbody>
</table>

2. The minimum prices and maximum prices for the specified Canadian and United States wheats, f.o.b. Pacific US ports shall be 6 cents less than the prices in paragraph 1.
3. The schedule of minimum prices may be adjusted in accordance with the provisions of Article 3.

4. The minimum price and maximum price for F.O.B. American wheat f.o.b. Australian ports shall be $5 cents above the price equivalent to the c. and f. price in United Kingdom ports of the minimum price and maximum price for United States Hard Red Winter No. 2 (Ordinary), f.o.b. Gulf ports; specified in paragraph 1, computed by using currently prevailing transportation costs.

5. The minimum prices and maximum prices for Argentine wheat, f.o.b. Argentine ports, for destinations bordering the Pacific and Indian Oceans, shall be the prices equivalent to the c. and f. price in Tokyo of the minimum prices and maximum prices for United States No. 2 Hard Red Winter (Ordinary) wheat f.o.b. Pacific NW ports, specified in paragraph 1, computed by using currently prevailing transportation costs.

6. The minimum prices and maximum prices for:
   - the specified United States wheats, f.o.b. United States Atlantic, Great Lakes and Canadian St. Lawrence ports;
   - the specified Canadian wheats, f.o.b. Port William/Port Arthur, St. Lawrence ports, Atlantic ports and Churchill;
   - Argentine wheat, f.o.b. Argentine ports, for destinations other than those specified in paragraph 5,
   shall be the prices equivalent to the c. and f. prices in Antwerp/Rotterdam of the minimum prices and maximum prices specified in paragraph 1, computed by using currently prevailing transportation costs.

7. The minimum prices and maximum prices for the EIC standard wheat shall be the prices equivalent to the c. and f. price in the country of destination, or the c. and f. price at an appropriate port for delivery to the country of destination, of the minimum prices and maximum prices for Hard Winter No. 2 by using currently prevailing transportation costs; computed adjustments corresponding to the agreed quality differences set forth in the scale of equivalents.

8. The minimum prices and maximum prices for Swedish wheat shall be the prices equivalent to the c. and f. price in the country of destination, or the c. and f. price at an appropriate port for delivery to the country of destination, of the minimum prices and maximum prices for Hard Winter No. 2 wheat f.o.b. United States, specified in paragraph 1 and 2, computed adjustments corresponding to the agreed quality differences set forth in the scale of equivalents.

---

1. The minimum price and maximum price for wheat at points other than those specified above and as also indicated by paragraph 4(b), may also be the minimum price and maximum price for wheat at the points specified in paragraph 3 of this Article, or as subsequently designated by the United States Wheat Agreement, which is closest comparable to such other wheat by the addition of an appropriate premium or by the deduction of an appropriate discount.

2. Any member country which considers that a decision under paragraph 9 is disadvantageous to it may ask the Council to review that decision.

3. The maximum prices under this Article apply only as sales by exporting countries to member importing countries.

4. Durum wheat and certified seed wheat are excluded from the provisions relating to minimum prices.

---

1. Article 6(5) of International Wheat Agreement, modified at the suggestion of the United States delegation with respect to institutions.

2. As suggested by the United States delegation.

3. Article 6(1)(b) of International Wheat Agreement.

4. Section IV, paragraph 5 of Memorandum of Agreement.
16. The Prices Review Committee/Executive Committee may in consultation with the Advisory Committees on Price Equivalents:

(a) determine the way in which minimum and maximum prices for wheat at points other than those specified above shall be calculated, and

(b) specify, basis f.o.b. United States Gulf ports, minimum and maximum prices for any description, class, type, grade or quality of wheat other than those mentioned in paragraph 1 of this Article, and in such a case it shall determine the way in which the minimum and maximum prices of those wheats at points other than United States Gulf ports shall be calculated; provided that, in the case of any other wheat for which minimum and maximum prices have not yet been determined, the minimum and maximum prices for the time being shall be derived from the minimum and maximum prices of the description, class, type, grade or quality specified in paragraph 2 of this Article, or under the foregoing provisions of this sub-paragraph, which is most closely comparable to such other wheat by the addition of an appropriate premium or the deduction of an appropriate discount.

17. If any member country represents that any minimum or maximum price determined under the provisions of this Article (other than under paragraph 15) is in the light of current transportation costs or exchange rates, no longer fair, the Prices Review Committee/Executive Committee shall consider the matter and, in consultation with the Advisory Committees on Price Equivalents, make such adjustments as it considers desirable.

18. No minimum or maximum price, basis f.o.b. United States Gulf ports, determined under the provisions of paragraph 1(b) of this Article shall respectively be higher than the minimum or maximum price for No. 1 Manitoba hard red winter wheat specified in paragraph 1 of this Article or, if that minimum price has been adjusted under the provisions of Article 84, the adjusted minimum.

19. All decisions of the Prices Review Committee/Executive Committee under paragraph 14 or 15 of this Article shall be binding on all member countries, provided that any member country which considers any such decision is disadvantageous to it may ask the Council to review that decision.
ARTICLE 7

Prices of wheat flour

1. Commercial purchases of wheat flour will be deemed to be at prices consistent with the prices for wheat specified in Article 6 unless a statement to the contrary, with supporting information, is received by the Council from any exporting or importing country, in which case the Council shall, with the assistance of any countries concerned, reconsider whether the price is so consistent.

2. The Council may in co-operation with any exporting and importing countries carry out studies of the prices of wheat flour in relation to the prices of wheat.

ARTICLE 8

Countries which both Export and Import Wheat

To be defined.
PART III—ADJUSTMENTS

ARTICLE 84

Adjustments in Minimum Prices

1. If the Secretariat of the Grains Council in the course of its continuous review of market conditions is of the opinion that a situation has arisen, or threatens imminent to arise, which appears to jeopardize the objectives of the Agreement with regard to the minimum price provisions, or if such a situation is called to the attention of the Secretariat of the Council by any member country, the Executive Secretary shall convene a meeting of the Council.

2. The Prices Review Committee shall review the price situation with the view to reaching agreement on action required by member participants to restore market stability and to maintain prices at or above minimum levels and shall notify the Executive Secretary when agreement has been reached and the action taken to restore market stability.

3. If after three market days the Prices Review Committee is unable to reach agreement on the action to be taken to restore market stability, the Chairman shall convene a meeting of the Council within two days of receipt of the proposal from the Council on any country in exporting or offering wheat, or in the opinion of the Council, the Council shall then determine whether provisions of the agreement shall be suspended and the period of time to be allowed.

4. When any minimum price has been adjusted in accordance with the foregoing, such adjustments shall terminate when the Prices Review Committee of the Council finds that the conditions requiring the adjustments no longer prevail.

Section IV, paragraphs 1 to 4 of Memorandum of Agreement.

ARTICLE 89

Adjustments in Case of Short Crop

1. Any exporting country which fears that it may be prevented by a short crop from meeting its obligations under Articles 2 and 3 hereof, this Agreement in respect of a particular crop year shall report the matter to the Council at the earliest possible date and apply to the Council to be relieved of a part or the whole of its obligations for that crop year. An application made to the Council pursuant to this paragraph shall be heard without delay.

2. The Council shall, in dealing with a request for relief under this Article, review the exporting country's supply situation and the extent to which the exporting country has observed the principle that it should, to the maximum extent feasible, make wheat available for purchase to meet its obligations under this Agreement.

3. The Council shall also, in dealing with a request for relief under this Article, have regard to the importance of the exporting country's maintaining the principle stated in paragraph 2 of this Article.

4. If the Council finds that the country's representations are well founded, it shall decide to what extent and on what conditions that country shall be relieved of its obligations for the crop year concerned. The Council shall inform the exporting country of its decision.

5. If the Council decides that the exporting country shall be relieved of the full or part of its obligations under Article 3 for the crop year concerned, the Council shall increase the quantities as represented by the data quantities of the other exporting countries to the extent agreed by each of them. If such increases do not affect the relief granted under paragraph 4 of this Article, it shall be reduced by the amount necessary to bring the relief to the extent agreed by each of them.

6. If the relief granted of this Article cannot be entirely filled by increases taken under paragraph 5, the Council shall reduce for each importing country the entitlement as represented by the data quantities of the importing countries, account being taken of any reductions under paragraph 5.

7. The entitlement as represented by the data quantities of an exporting country is reduced under paragraph 4 of this Article, the amount of such reduction shall be regarded for the purpose of establishing its data quantities
and that of all other exporting countries in subsequent crop years as having been purchased from that exporting country in the crop year concerned. In the light of the circumstances, the Council shall determine whether any adjustment of the quantities of importing countries in such subsequent crop years as a result of the operation of this paragraph.

8. If the adjustment as represented by the datum quantity of an importing country is reduced under paragraphs 5 or 6 of this article to offset the relief shall be regarded as having been purchased in the crop year concerned from the exporting country in subsequent crop years.

ARTICLE 10

Adjustment in Case of Excessity of Equivalents of Payments or Monetary Reserve

1. Any importing country which fears that it may be prevented by the necessity to safeguard its balance of payments or monetary reserves from carrying out its obligations under Article 4 or 6, this agreement in respect of a particular crop year shall report the matter to the Council at the earliest possible date and apply to the Council to be relieved of a part or the whole of its obligations for that crop year. An application made to the Council pursuant to this paragraph shall be heard without delay.

2. If an application is made under paragraph 1 of this article, the Council shall seek and take into account, together with all facts which it considers relevant, the opinion of the International Monetary Fund, as far as the matter concerns a country which is a member of the Fund, on the existence and extent of the necessity referred to in paragraph 1.

3. The Council shall, in dealing with a request for relief under this article, have regard to the importance of the importing country’s maintaining the principle that it should be the maximum extent feasible make purchases to meet its obligations under this agreement.

4. If the Council finds that the representations of the importing country concerned are well founded, it shall decide to what extent and on what conditions that country shall be relieved of its obligations for the crop year concerned. The Council shall inform the importing country of its decision.

*Incorporated by United States delegation.*

The representatives of India and Pakistan indicated reservations on paragraph 1.
ARTICLE 11
Adjustments and Additional Purchases

1. If a critical need has arisen or threatens to arise in its territory, an importing country may appeal to the Council for assistance in obtaining supplies of wheat. With a view to relieving the emergency created by the critical need, the Council shall give urgent consideration to the appeal and shall make appropriate recommendations to exporting and importing countries regarding the action to be taken by them.

2. In deciding what recommendation should be made in respect of an appeal by an importing country under the preceding paragraph, the Council shall have regard to its actual commercial purchases from exporting countries or to the extent of its obligations under article 4, as any appear appropriate in the circumstances.

3. No action taken by an exporting or importing country pursuant to a recommendation made under paragraph 1 of this article shall affect the duties of any exporting or importing country in subsequent crop years.

ARTICLE 12
Other Adjustments

1. An exporting country may transfer part of its balance of commitment to another exporting country, and an importing country may transfer part of its balance of entitlement to another importing country for a crop year, subject to approval by the Council by a majority of the votes cast by the exporting countries and a majority of the votes cast by the importing countries.

2. Any importing country may at any time, by written notification to the Council, increase its percentage undertaking referred to in paragraph 2 of article 4 and such increase shall become effective from the date of receipt of the notification.

3. Any importing country which considers that its interests in respect of its percentage undertaking under paragraph 2 of article 4 and annex A is seriously jeopardized by the non-participation in or withdrawal from this Agreement of any country listed in annex B holding not less than five per cent of the votes distributed in annex B may, by written notification to the Council, apply for a reduction in its percentage undertaking. In such a case, the Council shall reduce that importing country’s percentage undertaking by the proportion that its maximum annual commercial purchases during the years determined under article 15 with respect to the non-participating or withdrawing country bears to its duty quantity with respect to all countries listed in annex B and shall then further reduce such revised percentage undertaking by multiplying two and one half.

4. The duty quantity of any country ceasing under paragraph 4 of article 25 shall be offset, if necessary, by appropriate adjustments by way of increase or decrease in the duty quantities of one or more exporting or importing countries, as the case may be. Such adjustments shall not be approved unless each exporting or importing country whose duty quantity is thereby changed has consented.
ARTICLE 13

Maximum Price Declarations

1. As soon as any of its wheat other than durum wheat or certified seed wheat is made available for purchase by importing countries at prices not less than the maximum price, an exporting country shall notify the Council to that effect. On receipt of such notification, the Executive Secretary acting on behalf of the Council shall, except as otherwise provided in paragraph 4 of this article and paragraph 5 of Article 16, make a declaration accordingly, referred to in this agreement as a maximum price declaration. The Executive Secretary shall communicate that maximum price declaration to all exporting and importing countries as soon as possible after it has been made.

2. As soon as all of its wheat which has been made available at not less than the maximum price, other than durum wheat or certified seed wheat, is again made available for purchase by importing countries at prices less than the maximum price, an exporting country shall notify the Council to that effect. Thereupon, the Executive Secretary, acting on behalf of the Council, shall terminate the maximum price declaration in respect of that country by making a further declaration accordingly. So shall communicate such further declaration to all exporting and importing countries as soon as possible after it has been made.

3. The Council shall, in its rules of procedure, prescribe regulations to give effect to paragraphs 1 and 2 of this article, including regulations determining the effective date of any declaration made under this article.

4. If at any time in the opinion of the Executive Secretary an exporting country has failed to make a notification under paragraphs 1 or 2 of this article, or has made an incorrect notification, he shall, without prejudice to the latter case in the provisions of paragraph 1 or 2, convene a meeting of the Advisory Committee on Price Equivalency/Price Support Committee. If at any time in the opinion of the Executive Secretary an exporting country has made a notification under paragraph 1 but the facts relating thereto do not warrant a maximum price declaration, he shall not make such a declaration but shall refer the matter to the Advisory Committee. If the Advisory Committee advises either under this paragraph or in accordance with Article 16 that a declaration under paragraphs 1 or 2 should be or should not be made or is incorrect, as the case may be, the Executive Committee acting on behalf of the Council may make or refrain from making a declaration accordingly, or cancel any declaration that is in effect, whichever may be appropriate. The Executive Secretary shall communicate any such declaration or cancellation to all exporting and importing countries as soon as possible.
ARTICLE 13A

Action at or Approaching the Maximum Price

1. It shall be the duty of the Prices Review Committee/Executive Committee, after consultation with the Advisory Committee on Price Equivalents, to determine whether any member country is offering any wheat at, above or approaching the maximum price, whether or not a maximum price for that wheat is specified in, or has been specified under the provisions of, Article 6. If it is the opinion of the Advisory Committee that any wheat is being so offered, or if such a situation is called to the Advisory Committee's attention by the Executive Secretary acting on his own initiative or at the request of any member country, that Committee shall immediately inform the Prices Review Committee/Executive Committee/Executive Committee if it is in its opinion that a maximum price declaration is not warranted, in which case he shall not make such a declaration but shall refer the matter to the Committee for decision.

2. If the Prices Review Committee/Executive Committee decides that any exporting country is offering any wheat at or above the maximum price, the Committee shall, on behalf of the Council, make a declaration accordingly, refer to in this agreement as a maximum price declaration and, if the wheat is not one for which a maximum price is specified in, or has been specified under the provisions of, Article 6, shall state what it has determined the maximum price for that wheat to be. The Executive Secretary shall communicate the maximum price declaration to all member countries as soon as possible after it has been made.

3. If the Committee decides that any member country is offering any wheat at or approaching the maximum price, it shall report this to the Executive Secretary and, if the wheat is not one for which a maximum price is specified in, or has been specified under the provisions of, Article 6, shall state what it has determined the maximum price for that wheat to be. The Executive Secretary shall communicate the maximum price declaration to all member countries as soon as possible after it has been made.

4. As soon as any exporting country is offering any wheat at or above the maximum price, it shall notify the Council to that effect. On receipt of such notification, the Executive Secretary acting on behalf of the Council shall, except as otherwise provided in paragraph 5 of this Article or paragraph 6 of Article 14, make a maximum price declaration.

5. If a notification has been made under paragraph 4 above, the Executive Secretary shall only convene a meeting of the Prices Review Committee/Executive Committee/Executive Committee if it is in his opinion that a maximum price declaration is not warranted, in which case he shall not make such a declaration but shall refer the matter to the Committee for decision.

6. As soon as all of the wheat which has been on offer at or above the maximum price is again on offer below the maximum price, an exporting country shall notify the Council to that effect. Thereupon, the Executive Secretary, acting on behalf of the Council, shall terminate the maximum price declaration in respect of that country by making a further declaration accordingly, and shall communicate such further declaration to all member countries as soon as possible after it has been made provided that, if it appears to him that the notification is incorrect, the Executive Secretary shall not make a further declaration, but shall refer the matter to the Prices Review Committee/Executive Committee/Executive Committee for decision.

7. If an exporting country notifies the Executive Secretary that it is offering wheat at a stated margin below the maximum price, the Executive Secretary shall only convene a meeting of the Prices Review Committee/Executive Committee/Executive Committee if any member country considers that the wheat is being offered at or above the maximum price.

8. If at any meeting the Prices Review Committee/Executive Committee/Executive Committee cannot agree whether wheat is being offered at or above the maximum price or not, or if, following any such agreement by the Committee, any member country considers that
a maximum price declaration should or should not have been made, as the case may be, the Council shall decide the issue at a meeting summoned for the purpose within [60] days.

9. In determining the maximum price of a wheat for which no maximum price is specified in, or has been specified under the provisions of, Article 6, the Price Review Committee/Executive Committee shall have regard to the provisions of paragraph 9 of Article 6.

10. The Council shall, in its rules of procedure, prescribe regulations relating to maximum price declarations, including regulations determining the effective date of any such declaration.

11. Any declaration made under this Article shall specify the crop year or crop years to which it relates, and this Agreement shall apply accordingly.

12. Any declaration made under this Article which is cancelled in accordance with this Article shall be regarded as having full force and effect until the date of its cancellation, and such cancellation shall not affect the validity of anything done under the declaration prior to its cancellation.

13. For the purposes of this Article, 'wheat' includes durum or certified seed wheat.
ARTICLE 15

Establishment of Datum Quantities

1. Datum quantities as defined in Article 2 shall be established for each crop year on the basis of average annual commercial purchases during the first four of the immediately preceding five crop years.

2. Before the beginning of each crop year, the Council shall establish for that crop year the datum quantity of each exporting country with respect to all importing countries and the datum quantity of each importing country with respect to all exporting countries and to each such country.

3. The datum quantities established in accordance with the preceding paragraph shall be re-established whenever a change in the membership of this Agreement occurs, regard being had where appropriate to any conditions of accession prescribed by the Council under Article 39.

ARTICLE 16

Recording

1. For the purpose of the operation of this Agreement, the Council shall keep records for each crop year of each commercial and non-commercial transaction involving exports and imports of wheat by each member country and the prices at which such transactions are made. Records of non-commercial transactions shall be maintained separately from the records of commercial transactions.

2. The Council shall also keep records so that at all times during a crop year a statement of the balance of commitment of each exporting country with respect to all importing countries and of the balance of entitlement of each importing country with respect to all exporting countries and to each such country is maintained. Statements of such balances shall, at intervals prescribed by the Council, be circulated to all exporting and importing countries.

3. For the purpose of the operation of this Agreement, the Council shall ensure that all commercial transactions involving an exporting country entered in the Council's records shall also be entered as against the obligations of the importing country under Articles 4 and 5, or those obligations as adjusted under other Articles of this Agreement, if the loading period falls within the crop year. Where (a) and (b) (ii) (c) (ii) (d) Commercial purchases of wheat flour entered in the Council's records shall also be entered as against the obligations of the exporting country under the above conditions, provided that the price of such wheat flour is consistent with a price for wheat in accordance with Article 7.

4. If an importing country and a country making wheat available for purchase to agree, purchases at prices above the maximum price shall not be regarded as a breach of Articles 4, 5, or paragraph 2 of Article 8, and shall not be entered as against the obligations, if any, of the country concerned. If prices declared shall be made in respect of such purchases from an exporting country, the statements in any any way affect the obligations of the importing country concerned to other importing countries under Article 7.

5. Revisions of and deletions from the text of the DA indicated are suggested by the United States delegation.
5. In the case of durum wheat and certified seed wheat, a purchase entered in the Council's records shall also be entered as against the obligations of exporting and importing countries under the same conditions whether or not the price is above the action price.

6. Provided that the conditions prescribed in paragraph 3 of this Article are satisfied the Council may authorize purchases to be recorded for a crop year if:

(a) the loading period involved is within a reasonable time up to one month, to be decided by the Council, before the beginning or after the end of that crop year;

(b) the exporting and importing country concerned so agree.

7. For the period of closed navigation between Fort William/ Fort Arthur and the Canadian Atlantic ports, a purchase shall, notwithstanding the provisions of paragraph 4 of Article 6, be eligible for entry in the Council's records against the obligations of the exporting country and the importing country concerned in accordance with this Article if it relates to:

(a) Canadian wheat which is moved by an all-rail route from Fort William/Fort Arthur to Canadian Atlantic ports, or

(b) United States wheat which, except for conditions beyond the control of the buyer and the seller, would be moved by lake and rail to United States Atlantic ports and which, because it cannot be so moved, is moved by an all-rail route to United States Atlantic ports,

provided that payment of the extra transportation cost thereby incurred is agreed between the buyer and the seller.

8. The Council shall prescribe rules of procedure for the reporting and recording of all commercial and non-commercial transactions. In those rules it shall prescribe the frequency and the manner in which those transactions shall be reported and shall prescribe the duties of member countries with regard thereto. The Council shall also make provision for the amendment of any records or statements maintained by it, including provision for the settlement of any dispute arising in connexion therewith.

9. Each member country may be permitted, in the fulfilment of its obligations under Articles 6 and 7, a degree of tolerance to be prescribed by the Council for that country on the basis of the extent of those obligations and other relevant factors.

10. The Council shall also keep records of all transactions under Article 6 and shall keep records of all transactions under Article 11 of the Agreement between the countries for which aid or other assistance is to be distributed and countries eligible for such aid or other assistance under such Article to distribute food aid to recipient countries.

Note: This refers to Article 6 of the Agreement.
ARTICLE 18
Compulsions

1. In order to assist an exporting country in assessing the extent of its commitments if a maximum price declaration should be made and without prejudice to the rights enjoyed by any importing country, an exporting country may consult with an importing country regarding the extent to which the rights of that importing country under Articles 4 and 5 will be taken up in any crop year.

2. Any exporting or importing country experiencing difficulty in making sales or purchase of wheat under Article 4 may refer the matter to the Council. In such a case the Council, with a view to the satisfactory settlement of the matter, shall consult with any exporting or importing country concerned and may make such recommendations as it considers appropriate.

3. If an importing country should find difficulty in obtaining its balance of entitlements in a crop year at prices not greater than the maximum price while a maximum price declaration is in effect, it may refer the matter to the Council. In such case the Council shall investigate the situation and shall consult with exporting countries regarding the manner in which their obligations shall be carried out.

ARTICLE 19
Performance under Articles 4 and 5

1. The Council shall as soon as practicable after the end of each crop year review the performance of exporting and importing countries in relation to their obligations under Articles 4 and 5 during that crop year.

2. For the purposes of this review the tolerances as specified by the Council under paragraph 9 of Article 16 shall apply.

3. On application by an importing country in respect of the performance of its obligations in the crop year, the Council may take into account the wheat and flour purchased by it from another importing country provided it can be shown to the satisfaction of the Council that such flour was wholly derived from wheat purchased within the Agreement from exporting countries.

4. In considering the performance of any importing country in relation to its obligations in the crop year:

(a) The Council shall disregard any exceptional importation of wheat from other than exporting countries provided that it can be shown to the satisfaction of the Council that such importation was not at the expense of quantities normally purchased by that importing country from exporting countries. Any decision under this sub-paragraph shall be by a majority of the votes held by exporting countries and a majority of the votes held by importing countries.

(b) The Council shall disregard any importation from other than exporting countries of wheat which has been destocked for use as feed in a manner acceptable to the Council.

5. In considering the performance of any importing country in relation to its obligations in the crop year the Council may also disregard any purchases by the country concerned of durum wheat from other importing countries which are traditional exporters of durum wheat.
ARTICLE 21

Action in Cases of Serious Prejudice

1. Any exporting or importing country which considers that its interests as a party to this Agreement have been seriously prejudiced by actions of any one or more exporting or importing countries affecting the operation of the Agreement may bring the matter before the Council. In such a case, the Council shall immediately consult with the countries concerned in order to resolve the matter.

2. If the matter is not resolved through such consultations, the Council may refer the matter to the Executive Committee or the Advisory Committee or to both, as it may determine, for urgent investigation and report. In the event of any such report, the Council shall consider the matter further and, by a majority of the votes cast by the exporting countries and a majority of the votes cast by the importing countries, may make recommendations to the countries concerned.

3. If, after action has or has not been taken, as the case may be, under paragraph 2 of this Article, the country concerned is not satisfied that the matter has been satisfactorily dealt with, it may apply to the Council for relief. The Council, if it deems appropriate, shall prescribe the conditions for relief and the manner of relief. If the matter has been referred to the Executive Committee or the Advisory Committee, the Council shall decide within thirty days of the application for relief whether relief shall be granted or withheld.

4. If relief is granted by the Council under paragraph 3 of this Article and the country concerned still considers that its interests as a party to the Agreement have suffered serious prejudice, it may withdraw from the Agreement. If the matter is brought before the Council in the United States of America, the Council shall, within sixty days of the application, decide whether the withdrawal shall be permitted.
ARTICLE 22

Disputes and Complaints

1. Any dispute concerning the interpretation or application of this Agreement other than a dispute under Articles 19 and 20 which is not settled by negotiation shall, at the request of any country party to the dispute, be referred to the Council for decision.

2. In any case where a dispute has been referred to the Council under paragraph (1) of this article, a majority of countries, or any countries holding not less than one third of the total votes, may require the Council, after full discussion, to seek the opinion of the advisory panel referred to in paragraph 3 on the issues in dispute before giving its decision.

3. (a) Unless the Council unanimously agrees otherwise, the panel shall consist of:

(1) two persons, one having wide experience in matters of the kind in dispute and the other having legal standing and experience, nominated by the exporting countries;

(2) two such persons nominated by the importing countries; and

(3) a chairman selected unanimously by the four persons nominated under (1) and (2) or, if they fail to agree, by the chairman of the Council.

(b) Persons from countries whose governments are parties to this Agreement shall be eligible to serve on the advisory panel. Persons appointed to the advisory panel shall act in their personal capacities and without instructions from any government.

(c) The expenses of the advisory panel shall be paid by the Council.

4. The opinion of the advisory panel and the reasons therefore shall be submitted to the Council which, after considering all the relevant information, shall decide the dispute.

5. Any complaint that any exporting or importing country has failed to fulfill its obligations under this Agreement shall, at the request of the country making the complaint, be referred to the Council, which shall make a decision on the matter.
ARTICLE 221

Definitions

1. Any action with respect to a country which the Council believes to be in default of its obligations under Articles 4 or 5 or other provisions of this initiative or a complaint referred to it under Article 11 shall be in accordance with the procedures of this Article. Before reaching a decision under this Article, the Council shall give any member country concerned the opportunity to present such facts as it considers relevant.

2. No country shall be found to have committed a breach of this Agreement except by two thirds of the vote held by the exporting countries and two thirds of the vote held by the importing countries. Any finding that a country is in breach of the Agreement shall specify the nature and extent of the breach.

3. If the Council finds that a country has committed a breach of this Agreement, it may by two thirds of the vote held by the exporting countries and two thirds of the vote held by the importing countries, impose, the determination, reduce the other rights of that country to the extent and for the period of time it considers commensurate with the default or until that country is in compliance with the Agreement.

4. Any action taken by the Council under this Article shall in any way render the obligation of the country concerned in respect of its financial contributions to the Council unless that country is expelled from participation in the Agreement.

* Suggested revision by the United States delegation of Article 23 on line 18, Article 22, paragraph (6) and (7).
3. Nothing in this article shall prejudice the complete liberty of action of any exporting or importing country in the determination and administration of its internal agricultural and price policies.

ARTICLE 24
Consumption and Utilization of Grain

1. As appropriate, the Council shall consider and inform exporting and importing countries of means through which the consumption of Grain may be increased. To this end the Council may undertake, in co-operation with exporting and importing countries, studies of such matters as

(a) Factors affecting the consumption (and production) of Grain in various countries; and

(b) Means of achieving increased consumption (and production) particularly in countries where the possibility of increased consumption is found to exist.

Any exporting or importing country may submit to the Council information which it considers relevant to the attainment of this purpose.

3. Exporting and importing countries recognizing the special problems of developing countries, shall pay due regard to the principle that access to these supplies should, wherever possible, be effectively utilized in raising levels of consumption and in assisting in general economic and market development in developing countries with low levels of individual income. Where such wheat is made available on special terms, the exporting and importing countries concerned undertake that such arrangements will be made without harmful interference with normal patterns of production and international commercial trade.

5. Any exporting or importing country which makes excess Grain available on special terms under a government assisted program undertakes to provide the Council promptly with detailed information relating to such agreements entered into and to report regularly shipments made under such agreements.

*Incorporations suggested by the representative of India.*

*The United States delegation has suggested that this text could more appropriately appear under provisions relating to Food Aid.*
PART IV

FOOD AID

ARTICLE 246*

Provision of Food Aid

1. The countries party to this Agreement agrees to contribute, wheat, coarse grains, or the cash equivalent thereof, as aid to the developing countries, to an amount of 4.5 million metric tons of grains annually. Grains covered by this programme shall be suitable for human consumption and of an acceptable type and quality.

2. The minimum contribution of each country party to this Agreement is fixed as follows:

<table>
<thead>
<tr>
<th>Country</th>
<th>Per cent (1,000 metric tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>42.0</td>
</tr>
<tr>
<td>Canada</td>
<td>12.0</td>
</tr>
<tr>
<td>Australia</td>
<td>5.0</td>
</tr>
<tr>
<td>Argentina</td>
<td>3.0</td>
</tr>
<tr>
<td>EEC</td>
<td>20.0</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>5.0</td>
</tr>
<tr>
<td>Switzerland</td>
<td>7.0</td>
</tr>
<tr>
<td>Sweden</td>
<td>1.2</td>
</tr>
<tr>
<td>Norway</td>
<td>0.6</td>
</tr>
<tr>
<td>Finland</td>
<td>0.3</td>
</tr>
<tr>
<td>Japan</td>
<td>0.6</td>
</tr>
</tbody>
</table>

Countries according to the arrangement may make contributions on such a basis as may be agreed.

3. The contribution of a country making the whole or part of its contribution in the form of cash shall be calculated by applying the quantity determined for that country (or that portion of the quantity not contributed in kind) at US$1.73 per bushel.

4. Food aid in the form of grain shall be supplied on the following terms:

a) Sales for the currency of the importing country which is not transferable and is not convertible into currency of goods and services for use by the contributing country.

b) A gift of grain or a monetary grant used to purchase grain for the importing country.

Grain purchases shall be made in participating countries. In the use of grant funds, special regard shall be had to facilitating grain exports of developing world countries. To this end priority shall be given so that not less than 25 per cent of the cash contribution to purchase grain for food aid or for part of such contribution required to purchase 500,000 metric tons of grain shall be used to purchase grain produced in developing countries. Contributions in a form of grain shall be placed in F.O.B. forward position by donor countries.

5. Countries party to the arrangement may, in respect of their contributions to the food aid programme, specify a recipient country or countries.

*Section V of the Memorandum of Agreement,

Under exceptional circumstances an exception of not more than 50 per cent could be granted.

---

ARTICLE 247

Guidelines Relating to Non-Commercial Transactions in Grain

The parties to this Agreement undertake to conduct any non-commercial transactions as defined in Article 3 in such a way as to avoid harmful interference with the normal commercial trade in wheat. To this end such transactions shall be subject to the following rules and guidelines:

1. Grains and sales on non-commercial terms shall be made only to developing countries.

2. Non-commercial sales shall be made at prices consistent with the prices prevailing, subject to other provisions of this Agreement.

3. In order to ensure that non-commercial transactions are additional to commercial sales which could reasonably be anticipated in the normal course of such transactions, any wheat supplied on non-commercial terms shall be conditioned on commercial terms. In setting the commercial quotas, account shall be taken of (a) commercial imports of wheat and total commercial imports by the recipient country in the representative period; (b) the base of such imports; and (c) the development of the balance of the payments of the recipient country.

4. Commercial quota for any country receiving food aid under the food aid programme in this Agreement shall be set by the Food Aid Condition and shall apply to any wheat supplied to that country on non-commercial terms.

5. Any commercial transaction as defined in Article 3 may be applied against the commercial quota.

6. If commercial imports by the recipient country fall short of the commercial quota, the amount of the shortfall shall be carried forward to the following year.

*Text suggested by the United States delegation.
7. In the event a recipient country increases its commercial exports of corn or flour while receiving wheat on non-commercial terms, it shall be required to export an equivalent tonnage of wheat on commercial terms over and above the commercial quota.

8. The requirements in paragraphs 4, 6, and 7 may be modified or waived by the Food Aid Committee in exceptional circumstances (e.g., if such requirements would constitute an unreasonable burden on the recipient country or if it is in the interest of member countries).

9. The parties to the Agreement undertake to enter into prior consultations with respect to any non-commercial transactions as appropriate.
(f) Recommend and review from time to time the criteria for determining countries eligible to receive food aid under Article ______.

(g) Designate the international agency or agencies eligible to distribute food aid to recipient countries under the program and to maintain effective liaison with any such agency or agencies.

(h) Keep under review the food requirements of developing countries in view of existing emergency situations.

(i) Review reports on the self-help and developmental aspects of the program.

5. Voting rights

6. All decisions shall be made by a majority of the votes cast by contributing countries and a majority of the votes cast by recipient countries.

7. The Food Aid Committee shall make periodic reports to the Governing Council on the activities under this Article and Articles ______ and ______.

NOTE ON TERMINOLOGY USED IN THE WORKING DOCUMENT

Submitted by the Ad Hoc Technical Group

1. In the International Wheat Agreement, 1962, importing and exporting countries were respectively defined by being individually listed. In the new Memorandum of Agreement no such clear distinction is made. However, in the Memorandum, and in particular in paragraph 3 of II (Article 4) of the working document, obligations and rights are conferred on "exporting countries" and "importing countries" respectively, in terms that make it clear that some similar distinctions will have to be drawn in the Agreement. In addition, there are provisions which apply to all member countries.

2. The working document (INT(69)161), by combining provisions of the Memorandum of Agreement with provisions from Articles 1-4 of the International Wheat Agreement, contains a number of references which are no longer consistent. In addition, the International Wheat Agreement, 1962, when referring to all member countries, speaks of "exporting and importing countries". The Technical Group considered it better to use the term "member countries".

3. The tabulation below attempts to show the inter-relationship of certain provisions with a view to obtaining consistency in the terminology used:

<table>
<thead>
<tr>
<th>Article and paragraph</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 4/1</td>
<td>Member country when importing - applies to all member countries.</td>
</tr>
<tr>
<td>Article 4/2</td>
<td>Member country importing - applies to all member countries.</td>
</tr>
<tr>
<td>Article 4/3</td>
<td>Exporting countries - For the purpose of this paragraph it would seem appropriate to identify the exporting countries in an Annex.</td>
</tr>
</tbody>
</table>
Article 4/2
Applies to all member countries.

Article 4/3

In the International Wheat Agreement this provision related both to the importers' percentage obligation and the exporters' duty quantity obligation (Article 5 and 15/2). It now only relates to the latter. If a corresponding provision is thought to be required for the percentage obligation (to cover imports by a member country from another member country via transshipments in a non-member country) it will have to be provided separately.

The reference to Article 19 may have to be reconsidered depending on any changes which may be made in Article 19.

Article 5/1-5
Relates to Article 4/3.
In paragraph 5(a) the words "any other member country" might be inserted before "wheat".
In paragraph 5(b) "non-member country" might be substituted for "country other than an exporting country".

Article 7/1
Line 4 relates to any member country.
Line 5 relates to any member country or countries.

Article 7/2

Relates to all member countries.

Article 8/1-3
The terms "member country" or "member participants" relate to Article 4/1.

Article 9/1
The obligations referred to are the obligations under Articles 4/3 and 5. This might need to be specified. Otherwise no change would seem required.

Article 10
The term "exporting country" might be changed to "member country".

Article 10/1
It would soon necessary to specify the obligations referred to in line 3, which seem to be Article 4/2.

Article 11

While generally the term "exporting country" or "exporting countries" would seem to relate to member countries, this could be particularly relevant for the term "exporting countries" in paragraph 2. It would also seem necessary to specify the obligations as being under Article 4/2.

Article 12/2
The term "exporting country" relates to member countries.

Article 12/3
The term "exporting country" in line 1 and 7 relates to member countries.

Article 13
The terms "all importing and importing countries" may be changed to all member countries. Otherwise no change would seem required in view of the relation to Articles 4/3 and 5.

Article 15
No change required; relates to Article 4/3.

Article 16/1
The terms "importing countries" and "exporting countries" relate to member countries.

Article 16/2
No change required.

Article 16/3
In the IWA this provision relates both to the importers' percentage obligation and the exporters' duty quantity obligation. While the term "importing country" in line 2 could refer to member country when importing and the term "exporting country" or "exporting and importing countries" could refer to member countries, it could also be considered to split up this paragraph into two paragraphs, each dealing with the respective types of obligations.

Article 16/5
Any change is dependent on a change in paragraph 3 set out above.

Article 16/6
"Exporting and importing country concerned" could read "the two member countries concerned".

Article 16/7
Any change is dependent on a change in paragraph 3, set out above.
The term "exporting country" and "importing country" may be replaced by "member country" provided reference is made to obligations under Article IV, paragraphs 2 and 3.

It is noted that the terms "food-waid contributing countries" and "food-aid receiving countries" is introduced. This would seem to require a special definition in Article 2.

No change required.

Relate to "member countries".

No change required.

No change would seem required.

No change would seem required, although it is noted that the reference to Article 4 may be too wide.

No change would seem required.

Although this provision relates to the different rate of obligations the term "exporting and importing countries" could read "member countries".

This provision relates to Article 1/2 and applies to all member countries. It also relates to Article 4/2 in its present form. It would seem questionable whether this provision should be maintained in its present form.

This provision relates to Article 4/2. The term "exporting country" and "importing country" in the first line and in sub-paragraph (a) refer to member countries. The term "other than exporting countries" in sub-paragraph (b) might be changed into "non-member countries".

This provision relates to article 4/2. The term "importing country" in the first line might be changed to "non-member country", the term "other importing countries" in the third line would seem to require a change into "non-member countries". This paragraph could be deleted depending on what the eventual membership of the agreement turns out to be.

The term "exporting country" or "importing country", except as regards voting, might be changed to "member countries".

Relates to all member countries.

Relates to member countries.

Relates to member countries, except as regards voting.

Relates to member countries, except as regards voting.

This article relates to "member countries".

This article relates to "member countries".
Liste des articles

1. Objet
2. Définitions
3. Transactions commerciales et non commerciales
4. Acte de conservation et engagements d'approvisionnement
5. Acte au prix maximum
6. Mise des prix minimis
7. Prix du blé
8. Prix de la farine de blé
9. Ajustements au cas de récoltes insuffisantes
10. Ajustements en cas de nécessité de rapprocher la balance des paiements ou les réserves monétaires
11. Ajustements et ajustements suplementaires en cas de besoin critique
12. Autres ajustements
13. Déclarations de prix maximum
14. Mesures à prendre lorsque le prix est au maximum ou tend vers le maximum
15. Détermination des quantités de base
16. Enregistrement
17. Evaluation des besoins et des disponibilités en blé
18. Consultations
19. Exécution des engagements contractés en vertu des articles 4 et 5
20. Mesures aux engagements contractés en vertu des articles 4 ou 5
21. Mesures à prendre en cas de préjudice grave
22. Différément et réglementations
23. Examen conjoint de la situation du blé à travers la céréaliculture dans le monde
24. Conservation et utilisation du blé
25. Fourniture d'une aide alimentaire
26. Directives concernant les transactions non commerciales portant sur le blé
27. Comité de l'aide alimentaire

Remarque: Note concernant la terminologie utilisée dans le document de travail.

Les paragraphes marqués d'un trait dans le texte ont été ajoutés dans le texte différent du texte de l'Accord International sur le blé (1962). L'origine de ces différences de formes est indiquée dans les notes.
Le présent Accord a pour objet :

(a) de favoriser le développement des échanges internationaux de blé et de farine de blé aux pays importateurs et de soutenir au plus librement possible dans l'intérêt tant des pays importateurs que des pays exportateurs ;

(b) de procurer un équilibre meilleur entre l'offre mondiale de blé et la demande tant commerciale que non commerciale ;

(c) d'assurer des approvisionnements de blé et de farine de blé aux pays importateurs et de soutenir au plus librement possible dans l'intérêt tant des pays importateurs que des pays exportateurs ;

(d) de stabiliser un programme d'aide alimentaire multilatéral à l'étude des pays en voie de développement, tant importateurs qu'exportateurs, d'assurer un dénominateur commun et réduire d'autant l'incertitude et l'incertitude ;

(e) de réaliser un programme d'aide alimentaire, grâce à des contributions sur une base multilatérale, au profit des pays en voie de développement importateurs et exportateurs ;

(f) de stimuler l'utilisation et la consommation de blé et de farine de blé en général tant importateurs et exportateurs que pays en voie de développement afin d'assurer la santé et la nutrition dans ces pays et de contribuer ainsi à leur développement ;

(g) d'une manière générale enfin, de favoriser la coopération internationale au sein de signataires réduisant relativement aux céréales .

Texte suggéré par la délégation des États-Unis.

Texte suggéré par la délégation du Royaume-Uni.
ARTICLE 2

Définitions

1. Aux fins du présent Accord:

a) "Quantité de base" désigne l'importation annuelle effectuée dans un pays par le pays émetteur pendant six années consécutives ou, le cas échéant, pendant les six années précédant l'élaboration de la demande de l'article 3;

b) "Solde des obligations" désigne la quantité de blé qu'un pays exportateur est obligé, conformément à l'article 5, de rendre disponible aux fins d'exportation à un prix et à un prix maximum, c'est-à-dire l'exécutant de sa quantité de base vis-à-vis des pays importateurs sur les marchés commerciaux effectuée chez lui par ces pays dans l'année agricole à la date considérée;

c) "Solde des droits" désigne la quantité de blé qu'un pays exportateur a le droit, conformément à l'article 5, d'exporter à un prix de départ inférieur au prix maximum, c'est-à-dire l'exécutant de sa quantité de base vis-à-vis du ou des pays importateurs intéressés, selon le contexte, sur les marchés commerciaux effectuée dans ce pays au cours de l'année agricole à la date considérée;

d) "Frais de transport" désigne les coûts avantageux, soit 27.2355 billes de blé:

- "Frais de stockage" désigne les frais de stockage, d'assurance et d'assurance afférents à la détention du blé;

- "Frais de demande certifiée" désigne le blé qui a été officiellement certifié selon la pratique en vigueur dans le pays d'origine, et qui est conforme aux normes de spécification reconnues concernant le blé de consommation dans ce pays;

- "C. et f." signifie coût et fret;

h) "Conseil" désigne le Conseil international du blé/"Comité européen" composé par l'accord international sur le blé de 1961 et existant en outre par l'article 257;

1) "Année agricole" désigne la période du 1er août au 31 juillet.

*Notification adoptée par la délégation des États-Unis.*
r) "Déclaration du prix maximum" désigne une déclaration faite conformément aux dispositions de l'article 12 ;

a) "Tonne équivalente" ou 1 000 kilogrammes désigne 36,74371 bolsanes ;

c) "Prix minimum" désigne les prix minimum stipulés aux articles 6 ou 7 ou déterminés conformément aux dispositions desdits articles ou l'un de ses prix, selon le contexte ;

u) "Tonne de prix" désigne l'équivalent des prix entre le prix minimum stipulé et le prix maximum équivalent stipulés aux articles 6 ou 7 ou déterminés conformément aux dispositions desdits articles ;

v) "Achat" désigne suivant le contexte l'achat, aux fins d'exportation, de bié exporté ou destiné à être exporté par un pays exportateur, ou par un pays autre qu'un pays exportateur, selon le cas, où la quantité de bié est nommée. Lorsqu'il est question dans le présent Accord d'un achat, il est entendu que ce terme désigne non seulement les achats conclus entre les gouvernements intéressés, mais aussi les achats conclus entre des négociants privés et entre un négociant privé et le gouvernement intéressé. Dans cette définition, le terme "gouvernement" désigne le gouvernement de tout territoire auquel s'appliquent, en vertu de l'article 37, les droits et obligations que le gouvernement motive en acceptant le présent Accord ou en y adhérant ;

w) "Territoire", lorsque cette expression se rapporte à un pays exportateur ou à un pays importateur, désigne tout territoire auquel s'applique, en vertu de l'article 37, les droits et obligations que le gouvernement de ce pays a assumées aux termes du présent Accord ;

x) "Bié" désigne le bié en grain, de quelque nature, catégorie, type, "grade" ou qualité que ce soit et, sauf à l'article 6, la forme de bié.

2. Le calcul de l'équivalent en bié des achats de forme de bié est effectué sur la base du taux d'extraction indiqué par le contrat entre l'acheteur et le vendeur. Si ce taux d'extraction n'est pas indiqué, il sera calculé à partir de la quantité de bié de sorte que les achats de bié sont considérés, aux fins de ce calcul, comme équivalents à des bié au poids du bié au grain, sauf déduction contraire du gouvernement.

1Le délimitation des États-Unis a réservé sa position au sujet du taux d'extraction.
c) les dons ou les achats de blé ou moyens de donc en espèces

soutenue spécialement à cet effet par les pays exportateurs;

3. Toute question de savoir si une transaction est une transaction commerciale ou non du paragraphe 1 ou du présent article ou une transaction non commerciale du paragraphe 2 du présent article, qui serait soulevée par le

Secrétair général ou par un pays membre quelconque, sera tranchée par le

Conseil;

4. Aux fins du présent Accord:

a) les achats commerciaux désignent tout achat conforme aux pratiques

commerciales usuelles du commerce international à l'exclusion des

transactions visées à l'alinéa c) ci-après;

b) les achats commerciaux comportent les achat assortis d'un crédit

accordé par un organisme public ou privé, avec ou sans assurance-

crédit, qu'il soit obtenu du gouvernement du pays exportateur sous

la forme d'un prêt lié ou non à l'achat de blé; à la condition que

le crédit ne soit pas accordé pour une durée de plus de trois ans

et que le taux d'intérêt ne soit pas inférieur aux taux pratiqués

par la Banque internationale pour la reconstruction et le dévelop-

pement;

c) les transactions non commerciales comprennent:

1) les ventes à crédit dont les conditions ne sont pas conformes à

celles qui sont stipulées à l'alinéa b) ci-dessus;

11) les ventes en devises du pays exportateur, ou transférables ou

convertibles en devises ou en monnaies destinées à être

utilisées dans le pays exportateur;

1C'est soulevé par les délégations du Japon et du Royaume-Uni.
(11) Les ventes effectuées au cours d'accords commerciaux aux arrangements spéciaux du présent qui proviendraient des campagnes de compensation survivent à régler l'intéressé par les sociétés créancières ou le moyen d'échange de marchandises, sauf si le pays exportateur et le pays importateur intéressés acceptent que la vente soit considérée comme étant un accord commercial.

(2) Les opérations de troc:

1) qui résultent de l'intervention de gouvernements et dans lesquelles le blé est échangé à des prix autres que ceux qui sont pratiqués sur le marché mondial, ou

2) qui s'affaissent au titre d'un programme gouvernemental d'arachide, sauf si l'achat de blé résulte d'une opération de troc dans laquelle le pays de destination finale de l'arachide n'est pas désigné dans le contrat initial de troc:

(3) les droits de blé ou les achats de blé au moyen de deniers espagnols annulés spécialement à cet effet par le pays exportateur.

(4) toutes autres catégories de transactions que le Conseil pourrait spécifier, qui ne sont pas conformes aux pratiques commerciales usuelles.

2. Toute question de savoir si une transaction est un accord commercial ou non des alinéas (a) et (b) du paragraphe 1 du présent article ou une transaction non commerciale au sens de l'alinéa (c) du paragraphe 1 du présent article, sera résolue par le Secrétariat exécutif ou par un organe membre, quand il le juge nécessaire.
ARTICLE 5

Action au prix maximum

1. Si le Conseil fait une déclaration de prix maximum concernant un pays exportateur, ce pays doit mettre à la disposition des pays importateurs, à un prix qui ne soit pas supérieur au prix maximum, les quantités correspondant au solde de ses obligations vis-à-vis de ce pays, pour autant que le solde des droits de chaque pays importateur vis-à-vis de l'ensemble des pays exportateurs ne soit pas dépassé.

2. Si le Conseil fait une déclaration de prix maximum concernant tous les pays exportateurs, chaque pays importateur a le droit, tant que cette déclaration est en vigueur :
   a) d'acheter aux pays exportateurs, à des prix qui ne soient pas supérieur au prix maximum, la quantité correspondant au solde de ses droits vis-à-vis de l'ensemble des pays exportateurs ; et
   b) d'acheter du blé à tout pays sans être censé enfreindre les dispositions du paragraphe 2 de l'article 4.

3. Si le Conseil fait une déclaration de prix maximum concernant un ou plusieurs pays exportateurs mais non tous, chaque pays importateur a le droit, tant que cette déclaration est en vigueur :
   a) d'acheter du blé en vertu des dispositions du paragraphe 2 du présent article à ce ou ces pays exportateurs ; d'acheter le solde de ses obligations vis-à-vis de ces pays exportateurs, à des prix compris dans l'échelle du prix, aux autres pays exportateurs ; et
   b) d'acheter du blé à tout pays sans être censé enfreindre les dispositions du paragraphe 2 de l'article 4, jusqu'à concurrence du solde de ses droits vis-à-vis de l'ensemble des pays exportateurs, pour autant que le solde de ses droits vis-à-vis de l'ensemble des pays exportateurs ne soit pas dépassé.

4. Les achats effectués par un pays importateur à un pays exportateur en cas du solde de ses droits vis-à-vis de l'ensemble des pays exportateurs ne réduisant pas les obligations dudit pays exportateur aux termes du présent article, les dispositions du paragraphe 2 de l'article 4 s'appliquent ici, sous réserve que le solde des droits de chaque pays importateur vis-à-vis de l'ensemble des pays exportateurs ne soit pas dépassé.
**ARTICLE 54**

**Prix des orge minima**

Le but du barème des prix minima est de contribuer à la stabilité du marché en permettant de déterminer le niveau des prix au recours au marché des divers types et qualités d'orge réfutant et à l'ajustement des prix minima.

"Premier" paragraphe de la section IV du Mémoire d'accord.

---

**ARTICLE 6**

**Prix du blé**

1. Le barème des prix minima et des prix maxima, base F.A.S., portés au golfe, est établi comme suit pour la durée du présent arrangement:

<table>
<thead>
<tr>
<th>Grains</th>
<th>Prix minimum</th>
<th>Prix maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Dollars par buche)</td>
<td></td>
</tr>
<tr>
<td>Maïs</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Blé</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Orce</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Froment</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planteau</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Latine</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compressé économique européen</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Céréale</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Les prix minima et les prix maxima pour les biens spécifiés du Canada et des États-Unis, F.A.S. portés au golfe sont des biens qui sont spécifiés au paragraphe 1; en plus, ils sont établis à des prix minima supérieurs de 6 cents aux prix minima du paragraphe 1.

"Les paragraphe 1 à 7 sont extraits de la section I du Mémoire d'accord."
3. Le bénéfice des prix minima peut être ajusté conformément aux dispositions de l'article 3.


5. Les prix minima et les prix maxima pour le blé d'Argentine, f.o.b., ports américains, pour les destinations au bordure de l'Océan Pacifique ou de l'Indien, sauf les équivalents a. à f. 1/2 cachenaux des prix minima et des prix maxima, f.o.b., ports du nord-ouest de la côte du Pacifique, du blé Hard Red Winter no 2 (ordinaire) des Etats-Unis, tels qu'ils sont spécifiés au paragraphe 2, le calcul s'effectuant en utilisant les tarifs de transport pratiqués au moment considéré.

6. Les prix minima et les prix maxima pour :
   - les blés spécifiés des Etats-Unis, f.o.b. ports de la côte atlantique des Etats-Unis et des Grandes Lacs, ou ports canadiens du Saint-Laurent ;
   - les blés spécifiés du Canada, f.o.b. Fort William/Fort Arthur, ports du Saint-Laurent, porte atlantique et Fort Churchill ;
   - le blé d'Argentine, f.o.b., ports argentine, pour les destinations autres que celles qui sont spécifiées au paragraphe 5,

seront les équivalents a. à f. Amore/Botucourt des prix minima et des prix maxima spécifiés au paragraphe 1, le calcul s'effectuant en utilisant les tarifs de transport pratiqués au moment considéré.

7. Les prix minima et les prix maxima pour la qualité standard du blé de la CEE seront les équivalents a. à f. pays de destination, ou a. à f. port approprié pour l'arrivée au pays de destination, des prix minima et des prix maxima du blé Hard Winter no 2 (ordinaire), f.o.b. Etats-Unis, tels qu'ils sont spécifiés aux paragraphes 1 et 2, le calcul s'effectuant en utilisant les tarifs de transport pratiqués au moment considéré et en procédant aux ajustements de prix correspondant aux différences de qualité convenues qui sont indiquées dans la boîte d'équivalence.
Le Comité du revision des prix peut fixer les prix minimums et maximums équivalents pour le blé à des points autres que ceux qui sont stipulés ci-dessus, il peut également reconnaître toute nature, catégorie, type, "grade" ou qualité de blé autre que ceux mentionnés au paragraphe 1 du présent article et en déterminer les prix minimums et maximums équivalents. Il est entendu que, pour tout nouveau blé dont le prix équivalent n'est pas encore déterminé, les prix minimum et maximum sont provisoirement déterminés d'après les prix minimum et maximum de la nature, de la catégorie, du type ou du "grade" ou de la qualité de blé spécifiée au présent article, au cours des 15 jours suivants par le Comité de révision des prix, qui se reprécise le plus petit nombre de blé, pour l'addition d'une prise appropriée ou par la déduction d'un nouveau approprié.

10. Tout pays membre qui juge qu'une décision prise en vertu du paragraphe 9 lui est désavantageuse peut demander au Comité de revoir cette décision.

11. Les prix minimums fixés dans le présent article s'appliquent uniquement aux ventes faites par les pays exportateurs aux pays importateurs énumérés.

12. Les dispositions relatives aux prix minimums ne s'appliquent pas au blé dur (durum) ni au blé de semences certifiés.

13. Le blé dégénéré sous exclusion d'application des dispositions relatives aux prix minimums.

Paragraphe 5 de l'article 6 de l'accord international sur le blé, modifié sur la suggestion de la délégation des États-Unis en ce qui concerne les institutions.

Tous suggérés par la délégation des États-Unis.

Paragraphe 1 b) de l'article 6 de l'accord international sur le blé.

Paragraphe 5 de la section IV de l'annexe IV d'accord.

Tous suggérés par la délégation du Japon-Usi.
13. Les dispositions relatives aux prix minima ne s'appliquent pas au blé duré ni au blé de même certitude et les dispositions relatives aux prix minima ne s'appliquent pas au blé dénaturé.

14. Le Comité de révision des prix ? Comité caducité? pour, en consultation avec la Comité consultatif des équivalences de prix,

a) déterminer la manière selon laquelle les prix minima de marché du blé et des points autres que ceux qui sont spécifiés ci-dessous seront calculés ;

b) spécifier, sur la base f.o.b. porte du Golfe aux États-Unis, les prix minima et maxima de blé d'autre nature, catégorie, type, "grain" ou qualité que ceux mentionnés au paragraphe 1 du présent article ; dans ce cas, il déterminera la manière selon laquelle les prix minima et maxima de marché du blé et des points autres que ceux d'après les paragraphe 1 de l'article sont calculés, étant entendu que pour tous autres blés pour lesquels les prix minima et maxima n'auraient pas encore été déterminés, les prix minima et maxima seront précédemment déterminés d'après les prix minima et maxima de blé, de la nature, de la catégorie, du type ou du "grain" ou de la qualité spécifiés au paragraphe 1 du présent article, ou conformément aux dispositions ci-dessus du présent amined, qui se rapporte le plus de cet autre blé, par addition d'une prime ou déduction d'un rabais approprié.

15. Si un pays membre quelconque fait valoir qu'un prix minimum ou maximum déterminé conformément aux dispositions du présent article (autres que celle 1 du paragraphe 1) n'est plus un prix équitable, comprenant tous frais du transport ou des taxes de change prélevés au moment considéré, le Comité de révision des prix ? Comité caducité? examinera la question et pourra, en consultation avec la Comité consultatif des équivalences de prix, prévoir aux ajustements qu'il jugera souhaitables.
ARTICLE 7

Prix de la farine du blé

1. Les achats commerciaux de farine de blé sont considérés comme étant effectués à des prix en harmonie avec les prix du blé, tels qu'ils sont spécifiés ou débloqués en conformité à l'article 6, à moins que le Conseil ne reçoive d'un pays exportateur ou importateur une déclaration à l'effet du contre-taxe, avec raccourcissement à l'appui. Dans ces cas, avec la concurrence des pays intéressés, il examine la question et se prononce sur la conformité des prix.

2. Le Conseil peut, en collaboration avec tous pays exportateurs ou importateurs, faire des études sur le rapport existant entre les prix de la farine et les prix du blé.

ARTICLE 8

Pays qui tantôt exportent tantôt importent du blé

À supprimer.
ARTICLE 9

Arrangements en cas de rupture insuffisante

1. Tout pays exportateur qui ait, en cas de rupture insuffisante de l'espèce d'achat, au cours d'une année agricole donnée, ses obligations en vertu du présent accord, à raison du pourcentage le plus élevé auquel il se laisse priver de la totalité de ses obligations au cours de ladite année agricole, toute demande présentée au Conseil conformément au présent paragraphe est considérée sans délai.

2. Pour se prononcer sur une demande d'exemption présentée en vertu du présent article, le Conseil suit la situation des approvisionnements du pays exportateur et examine dans quelle mesure ce pays a respecté le principe relatif à l'existence d'une relation entre le pays exportateur et la disponibilité des pays importateurs pour faire face à ses obligations en vertu du présent accord.

3. Pour se prononcer sur une demande d'exemption présentée en vertu du présent article, le Conseil constate que la demande du pays exportateur est fondée, il décide dans quelle mesure et à quelles conditions ce pays est relevé de ses obligations pour l'année agricole en question. Le Conseil informe le pays exportateur de sa décision.

4. Si le Conseil constate que la demande du pays exportateur est fondée, il décide dans quelle mesure et à quelles conditions ce pays est relevé de ses obligations pour l'année agricole en question. Le Conseil informe le pays exportateur de sa décision.

5. Si le Conseil décide de relever, en totalité ou en partie, la pays exportateur de ses obligations aux termes de l'article 5 pour l'année agricole, exportateur d'une obligation aux termes de l'article 5 pour l'année agricole, le pays exportateur est exempté de tout supplément de taxe ou de tout surtaxe qu'il a payé en vertu du présent accord.

6. Si l'exemption accordée en vertu du paragraphe 4 de l'article 5 de l'accord est complémentaire dans les conditions figurant au paragraphe 3, le Conseil réduit en conséquence les droits des pays importateurs tels que ceux qui se traduisent par les quantités de base, en tenant compte des réductions opérées en vertu du paragraphe 5.

L'adoption et la mise en œuvre des arrangements tels que skédaient par la direction des États-Unis.
7. Si l’obligation d’un pays exportateur, telle qu’elle est traduite par sa quantité de base, est réduite en vertu du paragraphe 4 du présent article, la quantité correspondante à cette réduction est consacrée, aux fins de la détermi-
nation de la quantité de base de ce pays et des quantités de base de tous les autres pays exportateurs au cours des amendes agricoles suivantes, avoir été activé à ce pays exportateur produit l’année agricole en question. Le Conseil détermina, en fonction de la situation, le montant et la modalité des ajustements qu’il s’est avisé de procéder pour déterminer, à la suite des compensations effectuées en vertu du présent paragraphe, la quantité de base des pays importateurs pendant les années agricoles suivantes.

8. Si le droit d’un pays importateur tel qu’il se traduit pas sa quantité de base est réduit durant une année agricole en vertu des paragraphes 5 et 6 du présent article afin de compenser l’exemption accordée à un pays exportateur en vertu du paragraphe 4, la quantité qui correspond à cette réduction est consacrée, aux fins de déterminer la quantité de base de ce pays importateur au cours des années agricoles suivantes, avoir été accordée audit pays exportateur durant l’année agricole en question.

ARTICLE 10

Ajustements en cas de nécessité de surpasser le balance des paiements ou les réserves monétaires

1. Tout pays importateur qui croit que la nécessité de surpasser le balance des paiements ou les réserves monétaires l’exige, s’adressant par courrier à son pays d’origine agricole, pourra être obligé de l’article 6 du présent accord, en réduction du plus voix au Conseil et lui demander d’être relevé de partie ou en totalité de ses obligations au cours de l’année agricole en question. Toute demande prouvée au Conseil conformément au présent paragraphe est confirmée sans délai.

2. Si une demande est précédente conformément au paragraphe 1 du présent article, le Conseil, sollicité et notifié, en accord avec les pays membres du Fonds monétaire international, l’avis du Fonds concernant l’existence et l’échelle de la nécessité dont il est fait dans au paragraphe 1.

3. Pour se prononcer sur une demande d’exemption précédente en vertu du présent article, le Conseil tire compte de l’importance qui s’attache à ce que le pays importateur respecte le principe selon lequel il devrait, avec toute la mesure de ses moyens, procéder à des ajustements pour faire face à ses obligations en vertu du présent Accord.

4. Si le Conseil constate que la demande du pays importateur est fondée, il décide dans quelle mesure et à quelle condition l’État pourra être relevé de ses obligations pour l’année agricole en question. Le bulletin informe le pays importateur de sa décision.

1Addition adoptée par la délégation des États-Unis.
ARTICLE 11
Ajustements et subventions
au sein de la zone critique

1. Si un besoin critique s'est manifesté au risque de sa manifeste sur un territoire, tout pays exportateur peut faire appel au Conseil pour qu'il l'ajoute à la provision des approvisionnements en blé. En vue de rendre à la situation critique ainsi créée, le Conseil accorde l'appel dans les plus brefs délais et adresse aux pays exportateurs et aux pays importateurs des recommandations sur les mesures à prendre par eux.

2. Lorsqu'il se prononce sur les recommandations à formuler pour demander aux pays de fournir des aliments en blé à un pays exportateur qui a adressé un appel du paragraphe précédent, le Conseil, en accord avec la situation, tient compte des subventions répertoriées effectivement fixées par ce pays dans les pays exportateurs ou de l'intention de ses obligations aux termes de l'article 4.

3. Aussi, une mesure prise par un pays exportateur ou par un pays importateur conformément à une recommandation faite en vertu du paragraphe 1 du présent article au sujet de modifier la quantité de base d'un pays exportateur ou d'un pays importateur au sein de la zone agricole appropriée.

ARTICLE 12
Autres ajustements

1. Un pays exportateur peut transférer une partie du solde de ses obligations à un autre pays exportateur ou un pays importateur peut transférer une partie du solde de ses droits à un autre pays importateur pour la durée d'une année agricole, sous réserve de l'approbation du Conseil à la majorité des voix exprimées par les pays exportateurs et à la majorité des voix exprimées par les pays importateurs.

2. Un pays importateur peut à tout moment, par notification écrite au Conseil, accorder le pourcentage des subventions qu'il s'engage à affecter conformément au paragraphe 3 de l'article 4. Cet amendement prend effet à la date de réception de la notification.

3. Tout pays importateur qui estime que ses intérêts, en ce qui concerne les obligations en pourcentage qu'il mesure en vertu des dispositions du paragraphe 2 de l'article 4 et de l'article 5, au présent Accord, sont prévus légalement par le pays importateur au présent accord après le retrait d'un pays membre à l'article 5, détenir au moins 20 pour cent des voix réparties dans l'article 5 peut, par notification écrite au Conseil, demander une réduction de ses obligations en pourcentage. En ce cas, le Conseil réduit les obligations de ce pays importateur d'un pourcentage équivalent au retrait qui s'ajoute entre le maximum des subventions annuelles qu'il a effectuées, pendant les années déterminées selon les dispositions de l'article 25 dans le pays du moins de l'accord ou qui s'en revient, et sa quantité de base à l'article 5. En outre, il réduit le pourcentage ainsi revêtu de deux points et demi.

4. La quantité de base de tout pays qui adhère au présent Accord conformément au paragraphe 5 de l'article 5 est compensée, au besoin, par d'autres ajustements appropriés, en plus ou en moins, des quantités de base d'un ou de plusieurs pays exportateurs ou importateurs, selon le cas. Ces ajustements ne sont pas approuvés tant que chacun des pays exportateurs ou des pays importateurs ayant la quantité de base au cours de cette année, n'a pas signifié son accord.
Déclaration de prix majoré

l. Dès qu’un pays exportateur est à la disposition des pays importateurs de blé vertu que du blé dur (durum) ou du blé des années certifiées, à des prix qui ne sont pas inférieurs au prix majoré, ce pays le notifie au Conseil. Au sort de cette notification, le Secrétaire exécutive, agissant au nom du Conseil, émet, sans délai, les opérations paragraphe 3 du présent article et le paragraphe 1 de l’article 12, une déclaration à cet effet, échappant au présent Annex "déclaration de prix majoré". Il mentionne en outre que possible cette déclaration de prix majoré à tous les pays exportateurs et à tous les pays importateurs.

2. Lors que le pays exportateur est de nouveau à la disposition des pays importateurs à des prix inférieurs au prix majoré, la totalité du blé durou

3. Le Conseil fixe, dans son Règlement intérieur, les règles d’application des paragraphes 1 et 2 du présent article et, notamment, les règles qui déterminent la date à laquelle prend effet toute déclaration faite en vertu du présent article.

4. Si le Secrétaire exécutive, à un moment quelconque, qu’un pays exportateur a, à des prix majorés au Conseil la notification prévue aux paragraphes 1 ou 2 du présent article, ou à adressé au Conseil une notification insuffisante, il convoque, sans préjudice de ces dispositions des paragraphes 1 ou 2, une réunion du Comité consultatif des équivalences de prix / Comité du réajustement des prix). Si la Secrétaire exécutive estime, à un moment quelconque, qu’un pays exportateur a, à des prix majorés au Conseil la notification prévue aux paragraphes 1 ou 2, une réunion du Comité consultatif des équivalences de prix / Comité du réajustement des prix). Si la Secrétaire exécutive estime, à un moment quelconque, qu’un pays exportateur a, à des prix majorés au Conseil la notification prévue aux paragraphes 1 ou 2, une réunion du Comité consultatif des équivalences de prix / Comité du réajustement des prix).
ARTICLE 131

Mesures à prendre lorsque le prix est au maximum ou tend vers le maximum

1. Si le Comité détermine qu'un pays membre offre du blé à un prix qui tend vers le prix maximum, il en avisera le Secrétariat exécutif, qui se réunit dans les deux semaines suivantes, et ce, à l'unanimité. Le Secrétariat exécutif émet un avis sur la situation, et le Comité consultatif, si nécessaire, peut être tenu en informe immédiatement le Comité de révision des prix.

2. Si le Comité de révision des prix détermine qu'un pays exportateur offre du blé au prix maximum ou à un prix supérieur au prix maximum qui tend vers le prix maximum, le Secrétariat exécutif, en conformité avec le Comité consultatif, peut émettre une déclaration d'espérance de prix maximum, si le Comité consultatif n'est pas l'un de ceux qui ont le souhait d'émettre une déclaration de prix maximum. Le Secrétariat exécutif communique la déclaration de prix maximum à tous les pays membres, ainsi qu'à tous les pays exportateurs, et à toute autre personne qui l'a demandé.

3. Si le Comité détermine que ce pays membre offre du blé à un prix qui tend vers le prix maximum, il en avisera le Secrétariat exécutif. Si le Comité consultatif estime que le Comité de révision des prix n'est pas l'un de ceux qui ont le souhait d'émettre une déclaration de prix maximum, il en avisera le Secrétariat exécutif.

4. Le Secrétariat exécutif concerne le Comité de révision des prix et le Secrétariat exécutif qu'il estime que l'espérance de prix maximum n'est pas justifiée. En cas de différend, il ne peut pas émettre une nouvelle déclaration, mais peut demander le prix maximum.

5. Si la déclaration de prix maximum est établie, elle est adressée au Secrétariat exécutif qui, après avoir reçu la déclaration de prix maximum, peut, à sa discrétion, émettre une déclaration de prix maximum, si le Comité consultatif estime qu'il est nécessaire. Si le Secrétariat exécutif estime que la déclaration de prix maximum n'est pas justifiée, il ne peut pas émettre une déclaration de prix maximum.

6. Si un pays exportateur renonce à l'espérance de prix maximum, il en avisera le Secrétariat exécutif qui, après avoir reçu la déclaration de prix maximum, peut, à sa discrétion, émettre une déclaration de prix maximum.
8. Si, lors d'une réunion quelconque, les membres du Comité de revision des prix (Comité exécutif) ne peuvent se mettre d'accord sur le point de savoir si un blé est offert ou s'il n'a pas offert au prix maximum ou à un prix supérieur, ou si, les membres du Comité étant tombé d'accord sur ce point, un pays membre considère qu'une déclaration de prix maximum devrait ou ne devrait pas avoir été faite, selon le cas, le Conseil statue sur ce point au cours d'une réunion spécialement convoquée à cet effet dans les deux jours.

9. Lorsqu'il détermine le prix maximum d'un blé pour lequel aucun prix maximum n'est spécifié à l'article 6 ou n'a été spécifié en application des dispositions du présent article, le Comité de revision des prix (Comité exécutif) tient compte des dispositions du paragraphe 9 de l'article 6.

10. Le Conseil fixe, dans son règlement intérieur, les règles relatives aux déclarations de prix maximum, notamment celles qui déterminent la date à laquelle prend effet une telle déclaration.

11. Toute déclaration faite au vortu du présent article précise l'année ou les années agricoles auxquelles elle se rapporte et le présent Accord s'applique en conséquence.

12. Toute déclaration faite au vortu du présent article, qui se trouve annulée conformément au présent article, est considérée avoir plein effet jusqu'à la date de son annulation; cette annulation n'affecte pas la validité des mesures prises au vortu de cette déclaration avant son annulation.

13. Aux fins du présent article, le mot "blé" ne désigne pas le blé durus ni le blé de seconde qualité.
ARTICLE 15
Détermination des quantités de base

1. Les quantités de base définies à l'article 2 sont déterminées pour chacun des ans agricoles, en fonction de la moyenne des량s commerciaux annuels des quatre premiers des cinq ans agricoles précédents.

2. Avant le début de chaque an agricole, le Conseil détermine pour l'année la quantité de base du pays exportateur vis-à-vis de l'ensemble des pays importateurs et la quantité de base de chaque pays importateur vis-à-vis de l'ensemble des pays exportateurs et de chacun d'eux en particulier.

3. Les quantités de base déterminées conformément au paragraphe précédent sont portées chaque fois que le montant des pays particuliers à l'accord en question modifié, compte tenu le cas échéant des conditions d'admission prévues par le Conseil en vertu de l'article 35.

ARTICLE 15bis

1. Aux fins de l'application du présent accord, le Conseil enregistre, pour chaque année agricole, chaque transaction commerciale et commerciale, concernant les exportations et les importations du blé de chaque pays exportateur, ainsi que les prix auxquels les denrées transmises sont faites. Des registres spéciaux sont tenus pour les transactions non commerciales et pour les transactions commerciales.

2. Le Conseil tient également des registres visés de toute manière à jour, au cours de l'année agricole, le relevé du solde des obligations de chaque pays exportateur à l'égard de l'ensemble des pays importateurs et le relevé du solde des droits de chaque pays importateur à l'égard de l'ensemble des pays exportateurs et de chacun d'eux en particulier. Les relevés de ces solde sont communiqués à tous les pays exportateurs et à tous les pays importateurs selon la periodicité fixée par le Conseil.

3. Aux fins du paragraphe 2 du présent article et du paragraphe 2 de l'article 4, les cotations commerciales de chaque pays importateur sont inscrites dans le registre approprié du pays exportateur, qui sont inscrites dans les registres du Conseil, ceux d'entre eux qui ne sont pas considérés à l'article 4, paragraphe 5, sous ci-dessus, en raison des obligations de chaque pays exportateur et les obligations qui sont actuellement en vigueur.

4. Si le pays exportateur et le pays qui a été du côté non de l'accord ne sont pas inscrits dans le registre, les cotations ne sont pas inscrites dans le registre, mais cette inscription ne saurait être inférieure à la date à laquelle la cotation a été inscrite dans le registre du pays exportateur. Les cotations inscrites dans le registre ne sont pas considérées comme une inscription pour la période de réception pour l'établissement des quantités de base.

5. Les cotes et augmentations effectuées dans le cadre de l'accord international au sein de cette section sont effectuées par la délégation des États-Unis.
5. Dans le cas du blé dur (duras) et du blé de sesame certifié, un ane se présentera dans les registres du Conseil et sera enregistré en regard des obligations des pays exportateurs et importateurs et dans les mêmes conditions que son prix soit au nom ou neuf ou au prix maximum.

6. Sous réserve que les conditions prescrites au paragraphe 3 du présent article soient remplies, le Conseil peut autoriser l’enregistrement d’autres types de production pour une année agricole, à

a) la période de chargeant ce qui est compris dans un délai raisonnable, sauf dépassant pas un mois, à fixer par le Conseil, avant le début du cycle de l’année agricole;

b) le pays exportateur et le pays importateur intéressés dont accord.

7. Pendant la période où la navigation est faible entre Port-William/Port Arthur et les ports canadiens de l’Atlantique, le pays exportant, dans l’understanding des dispositions du paragraphe 4 de l’article 8, sera enregistré par le Conseil ou jugé par le pays importateur intéressé, conformément au présent article, s’il porte sur

a) des unités de transport transportées uniquement par chemin de fer de Port-William/Port Arthur jusqu’aux ports canadiens de l’Atlantique, ou

b) des unités de transport transportées uniquement par chemin de fer des ports des États-Unis situés sur l’été Atlantique et qui, à cet égard, ne se modifie que se modifie que le mode de transport n’est pas possible, soit transportées uniquement par chemin de fer jusqu’aux ports des États-Unis situées sur l’été Atlantique, sous réserve que l’acheteur et le vendeur aient accordé d’office sur le paiement des droits de transport supplémentaires en résultant.

8. Le Conseil établit un règlement pour la notification et l’enregistrement de toutes les transactions commerciales et non commerciales. Dans ce règlement, l’échange de transactions et il définit les obligations des pays exportateurs à cet égard. Ce règlement établit également la procédure de modification des registres et les contrôles qui, à l’aide de l’article de règlement de tout différend qui pourrait surgir à cet égard.

9. Tout pays exporteur peut bénéficier, dans l’exécution de ses obligations aux termes des articles 4 à 6.2, d’une mesure de tolérance que le Conseil détermine par les mesures de tolérance ou les autres moyens appropriés.

10. Le Conseil tient également des registres de toutes les transactions effectuées au titre de l’article (aide alimentaire) de l’arrêté de l’année suivant les pays qui reçoivent une aide alimentaire ou à l’institution ou les institutions bénéficiaires aux pays bénéficiaires.

La référence visée par le paragraphe 4 de l’article 6 de l’Accord international sur le blé de 1962.
ARTICL£ 18
Consultations
1. Si un pays exportateur souhaite savoir quels seraient l'étendue de ses engagements en vue de déclaration de critères maximaux, il peut, sans préjudice des droits dont jouit tout pays importateur, consulter un pays exportateur pour lui demander dans quelle mesure sait-on à l'avance et de quelles conditions un accord sera accepté. Ce pays exporteur ou tout pays importateur qui évalue les difficultés à son égard par l'article a peut s'adresser au Conseil. Ainsi, pour évaluer les difficultés d'un membre adhérent, le conseil consulte tous pays exportateurs ou tout pays importateur intéressé et peut formuler les recommandations qu'il juge appropriées.
2. Tant que le pays exportateur ou le pays importateur qui évalue des difficultés à son égard par l'article a peut s'adresser au Conseil, son accord ne sera pris en compte que dans la situation et consultations pays exportateurs pour s'assurer de la manière dont ils s'acquittent de leurs obligations.

ARTICLE 19
Exécution des engagements assumés en vertu des articles 4 et 5
1. Le Conseil examine, aussitôt que possible après la fin de chaque année agricole, la façon dont les pays exportateurs et les pays importateurs se sont acquittés de leurs obligations en vertu des articles 4 et 5 au cours de cette année agricole.
2. Aux fins de cet examen, les données déterminées par le Conseil en application du paragraphe 3 de l'article 16 entrent en ligne de compte.
3. Lorsque le Conseil examine la manière dont un pays importateur s'est acquitté de ses obligations au cours de l'année agricole, il peut, à la demande de ce pays, tenir compte de l'équivalent de la part que ce pays a assumée à un autre pays importateur et la part de cette année agricole. Ce pays importateur s'est entièrement acquitté de ses obligations conformément aux dispositions de l'article 16. En examinant la façon dont un pays exportateur s'est acquitté de ses obligations au cours de l'année agricole:
   a) Le Conseil ne tient pas compte des importations exceptionnelles de bié proviennent de pays autres que les pays exportateurs, pourvu qu'il est donné à la satisfaction du Conseil que le blé a été ou sera utilisé en partie pour l'alimentation du bétail et que la quantité importée ou le pays importateur. Toute décision en vertu de l'article 16 doit être prise à la majorité des voix des pays importateurs et à la majorité des voix des pays exportateurs.
   b) Le Conseil ne tient pas compte des importations - en provenance de pays autres que les pays exportateurs - de bié qui a été donné à une fois que le Conseil juge acceptable pour servir à l'alimentation du bétail.
4. En examinant la façon dont un pays importateur s'est acquitté de ses obligations au cours de l'année agricole, le Conseil peut également au moins tenir compte des exportations de bié par (chaine) effectuées par les pays dans d'autres pays importateurs qui sont traditionnellement exportateurs de bié (chaine).
ARTICLE 20
Monuments aux conséquences contractées
en vertu des articles 4 et 5

1. S'il ressort de l'annexe affectée en vertu de l'article 10 qu'un pays a manqué aux obligations qu'il a contractées en vertu des articles 4 et 5, le Conseil décide des mesures à prendre.

2. Avant de prendre une décision en vertu du présent article, le Conseil donne à tout pays exportateur ou tout pays importateur intéressé la possibilité de présenter tous les faits qui lui paraissent pertinents.

3. Si le Conseil, à la majorité des voix détenues par les pays exportateurs et à la majorité des voix détenues par les pays importateurs, constate qu'un pays exportateur ou un pays importateur a manqué aux obligations qu'il a contractées en vertu des articles 4 et 5, il peut à la même majorité des voix provenir le pays en question de son droit de veto pendant une période qu'il détermine, réduire les autres droits de ce pays dans la mesure qu'il juge en rapport avec le cas signalé ou l'exécution de la participation à l'Accord.

4. Aucune mesure prise par le Conseil en vertu du présent article ne réduit de quelque façon que la contribution financière dont le pays intéressé est notoire au Conseil, à moins que ce pays ne soit exclu de la participation à l'Accord.

ARTICLE 21
Mesures à prendre en cas de prétendue arrose

1. Tout pays exportateur ou tout pays importateur qui estime que ses intérêts ont, en tout cas, été protégés ou protégeront sont sérieusement menacés, au fait qu'un ou plusieurs pays exportateurs ou pays importateurs ont pris des mesures de nature à compromettre l'exécution de l'Accord, peut saisir le Conseil. Le Conseil, après avoir reçu un rapport de la partie intéressée, connaîtrait immédiatement les pays intéressés afin de rédiger la question.

2. Si la question n'est pas réglée par ses consultations, le Conseil peut saisir le Comité exécutif ou la Conférence consultative des États intéressés du principe des pressions à proposer ou adopter la question si il estime qu'elles démontrent des voix détenues par les pays exportateurs à la majorité des voix détenues par les pays importateurs, faire des recommandations aux pays intéressés.

3. Si, selon le cas, des mesures ont été ou n'ont pas été prises, en vertu du paragraphe 2, des réserves ou des retards ajoutent au retard de la contribution financière dont le pays intéressé est notoire au Conseil, il peut demander une conformité au Conseil. Le Conseil, après avoir reçu un rapport de la partie intéressée, connaîtrait immédiatement les pays intéressés pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question. La décision à se porter de ses obligations pour l'année agricole en question.
ARTICLE 22
Différends et désignations

1. Tout différend relatif à l'interprétation ou à l'application du présent Accord - autre qu'un différend ayant trait aux articles 19 et 20 - qui n'est pas réglé par voie de médiation est, à la demande de tout pays partie au différend, déféré au Conseil pour décision.

2. Dans les faits qu'un différend est déféré au Conseil en vertu du paragraphe 1 du présent article, la majorité des pays ou un groupe de pays déterminé au moins le tiers du total des voix peut demander que le Conseil, après discussion complète de l'affaire, sollicite sur les questions en litige l'opinion de la commission consultative mentionnée au paragraphe 3 sans de faire connaître sa décision.

3. a) Sauf décision contraire du Conseil, prises à l'unanimité, cette commission est composée des:
   1) deux personnes désignées par les pays exportateurs, dont l'une possède une grande expérience des questions du genre de celle en litige et l'autre n'a de l'autorité et de l'expérience en matière juridique;
   2) deux personnes, de qualification analogue, désignées par les pays importateurs; et
   3) un président choisi à l'unanimité par les quatre personnes nommées selon les dispositions des alinéas 1) et 2) ci-dessus ou, en cas de désaccord, par le Président du Conseil.

b) Les représentants de pays dont les gouvernements sont parties au présent Accord sont habilités à s'adresser à la commission consultative. Les membres de la commission consultative agissent à titre personnel et sans recours d'institution d'aucun gouvernement.

c) Les décisions de la commission consultative sont à la charge du Conseil.

4. L'opinion motivée de la commission consultative est adressée au Conseil qui tranchera le différend après avoir examiné tous les éléments d'information utiles.

5. Une plainte selon laquelle un pays exportateur ou un pays importateur non-râssé a violé les obligations imposées par le présent Accord est, sur la demande de pays autre que la plainte, déférée au Conseil qui prend une décision à ce sujet.

6. 1er Sous réserve des dispositions de l'article 20, aucun pays exportateur ou pays importateur ne peut être reconnu coupable d'une infraction au présent Accord qu'à la majorité des voix détenues par les pays exportateurs et à la majorité des voix détenues par les pays importateurs. Toute constatation d'une infraction au présent Accord, comme par un pays exportateur ou un pays importateur, prévient la nature de l'infraction et, si cette infraction est due au fait que ce pays a échappé aux obligations qu'il a assumées en vertu des articles 4 ou 5 du présent Accord, l'événement de ce manquement.

7. Sous réserve des dispositions de l'article 22, si le Conseil constate qu'un pays exportateur ou un pays importateur a commis une infraction au présent Accord, il peut, à la majorité des voix détenues par les pays exportateurs et à la majorité des voix détenues par les pays importateurs, priver le pays en question de son droit de vote jusqu'à ce que soit rempli de ses obligations, ou bien l'exclure de la participation à l'Accord.

Le dérogation des Etats-Unis a exigé que les paragraphes 6 et 7 restent remplacés par l'article 221.
ARTICLE 201

1. Lorsque le Conseil constate qu’un pays dont il a été indiqué les opérations titres de l’article 7 est au seuil de une plainte dont il a été indiqué dans les dispositions ci-dessous, qu'il a contracté avec l’importateur de ces pays en prévision de procédés équivalents dans le conseil donné à tout pays qui n'a pas encore inspecté la possibilité de prévenir les conditions qui lui sont portées préjudices.

2. Tous pays ne peuvent être déclarés coupables d’une infraction au présent Accord ou à douze titres des droits des pays exportateurs et coupable d’une infraction à l’Accord, la nature et la portée de l’infraction.

3. Si le Conseil constate qu’un pays a commis une infraction au présent Accord, il peut, par un un des deux titres des voix des pays exportateurs, priver ce pays de ses droits dans le cadre et pour la durée qu’il jugerait en rapport avec le manquement au présent Accord.

4. Tout pays sera privé par le Conseil en vertu du présent article, neuf ans après les obligations du pays injustices en ce qui concerne ses contributions financières à la banque.

Loi relative sur la délimitation des États-Unis de l’article 7 et d’autres articles de chômage non conformes, en vue de remplacer les articles 3 et 7, paragraphe 6 et 7.
du paragraphe 1 de l'article 30, concerne les arrangements qu'il juge souhaitables en vue d'une collaboration à une échelle mondiale de ces activités avec des organisations intergouvernementales ainsi qu'avec les gouvernements d'États membres de l'organisation des Nations unies ou de ses institutions spécialisées, non parties au présent accord, qui ont un intérêt concernant dans le contexte international de l'alimentation.

3. Le présent accord ne porte en aucun cas atteinte à la compétence légale d'États dont jouent tant pays exportateur ou tout pays importateur dans la fixation et l'application de sa politique intérieure en matière d'agriculture et du prix.

ARTICLE 28

Consommation et satisfaction / Enfin / En dernier

1. Le souv. l'objectif apporté de l'Organisation exige que les pays exportateurs s'engagent à augmenter la consommation / du béton / des céréaliers / et il se informe les pays exportateurs et les pays importateurs. Il est de fait le Conseil peut entreprendre, conjointement avec les pays exportateurs et les pays importateurs, des études portant notamment

a) sur les facteurs qui influencent la consommation / de la production / et

b) sur les moyens permettant d'améliorer la consommation / de la production / notamment dans les pays où l'expérience qu'il est possible de l'observateur.

A cette fin, tout pays exportateur et tout pays importateur peut communique au Conseil des renseignements qu'il juge pertinentes.

2. Reconnaissant l'importance des problèmes spéciaux qui se posent aux pays en voie de développement, les pays exportateurs et les pays importateurs tiennent compte du principe suivant que, dans le pouvoir du possible, d'utiliser effectivement les ressources de béton pour élever les niveaux de consommation et consommer au développement général, économique et commercial, des pays en voie de développement où la productivité habituelle est faible. Dans les cas où ces biens sont fournies à des conditions spéciales, les pays exportateurs et les pays importateurs indiquent à vérifier ces opérations de telle sorte qu'elles n'ont pas d'incidence nuisible sur la «structure normale» de la production et des échanges commerciaux internationaux.

3. Tous pays exportateurs au tout pays importateur qui offre / au béton / des céréaliers / des indications à des conditions spéciales au titre d'engagement bénéficiant d'un accès essentiellement, s'engages à communiquer rapidement au Conseil des informations détaillées concernant les accords de ce genre qu'il aurait conclus et à mettre régulièrement les notes effectuées sur l'application de ces accords.

1 Inserion supplémentaire par le représentant de l'Allemagne.

La délégation des États-Unis a fait savoir qu'il serait plus approprié de faire figurer ces textes par les dispositions relatives à l'idée alimentaire.
### Aide alimentaire

**ARTICLE 241**

#### Pourvoyeurs d'une aide alimentaire

1. Les pays partiels au présent Accord sont convenus de fournir, à titre d'aide alimentaire, aux pays de développement, du blé, des céréales équitables ou l'équivalent en espèces, pour un total de 4,5 millions de tonnes métriques par an. Les céréales entrant dans le programme devront être propres à la consommation humaine et d'un type et d'une qualité acceptables.

2. **La contribution minimale de chaque pays parti au présent Accord est fixée comme suit:**

| États-Unis | 40,0 | 1 890 |
| Canada | 14,0 | 649 |
| Australie | 12,0 | 551 |
| Argentine | 5,0 | 225 |
| GFD | 4,5 | 23 |
| Royaume-Uni | 25,0 | 1 035 |
| Suède | 5,6 | 255 |
| Suisse | 5,7 | 35 |
| Danemark | 1,3 | 12 |
| Espagne | 0,6 | 7 |
| Finlande | 0,3 | 14 |
| Japon | 5,0 | 255 |

Les pays accédant à l’Accord pourront fournir des contributions sur les bases qui suivront:

3. **La contribution en espèces d’un pays dont la contribution au programme d’aide alimentaire est calculée en évaluant la quantité de céréales fixée pour ce pays (ou la partie de cette quantité de céréales qui ne sera pas fournie en nature) sur la base de 1,75 dollar des États-Unis le bushel.**

4. L’aide alimentaire sous forme de céréales sera fournie selon les modalités suivantes:

   a) **Vente contre monnaie du pays importateur, transférable et comptable en devises ou en marchandises et services destinés à être utilisés par le pays contribuant**.

   **Article V des Mémoires d’Accord.**

   **En cas de circonstances exceptionnelles, il pourrait être accordé une dispense allant jusqu’à 10 pour cent.**
ARTICLE 341²

Directives concernant les transactions non commerciales portant sur le blé

Les parties au présent Accord s'engagent à effectuer toutes transactions non commerciales au sens de l'article 3 de façon à éviter toute perturbation préjudiciable des échanges commerciaux normaux de blé. A cet effet, les transactions de ce genre obéissent aux règles et directives suivantes:

1. Il ne sera consenti de dons et de ventes à des conditions non commerciales qu'à des pays de développement.

2. Les ventes non commerciales seront effectuées à des prix conformes à l'échelle des prix, sous réserve des autres dispositions du présent Accord.

3. Pour faire en sorte que les transactions non commerciales s'ajoutent aux ventes commerciales raisonnablement prévisibles en l'absence de telles transactions, toute fourniture de blé à des conditions non commerciales dépendra de l'ouverture de contingents commerciaux. Pour fixer les contingents commerciaux, il sera tenu compte:
   a) des importations commerciales de blé et des importations commerciales totales du pays bénéficiaire au cours d'une période représentative;
   b) de la tendance des importations;
   c) de l'évolution de la balance des paiements du pays bénéficiaire.

4. Les contingents commerciaux pour tout pays recevant une aide alimentaire au titre du programme d'aide alimentaire, ou dans le cadre du présent Accord sont fixés par le Comité de l'aide alimentaire et s'appliqueront à toute quantité de blé fournie à ce pays à des conditions non commerciales.

5. Toute transaction commerciale au sens de l'article 3 peut être imposée sur le contingent commercial.

6. Si les importations commerciales du pays bénéficiaire n'équivalent pas le contingent commercial, la différence sera reportée sur l'aide suivante.

²Texte modifié par la délégation des États-Unis.
Article 1

Conseil de l'aide alimentaire


2. Les autres pays membres auront l’obligation à participer aux travaux du Comité en tant qu’observateurs et ils seront invités à y participer à tous les faits que le Comité estimera des questions touchant leurs intérêts.


4. Le Comité de l’aide alimentaire délibère des directives concernant les opérations effectuées dans le cadre du programme d’aide alimentaire, sur lesquelles il exercera une surveillance générale. Ses fonctions comprennent notamment les attributions suivantes:
   a) Donner les rapports périodiques fournis par les pays receveurs sur le contenu, la nature et les modalités de distribution de leurs contributions,
   b) Déterminer si les céréales données sont d’un type et d’une qualité acceptables pour le pays bénéficiaire et utilisées pour la consommation humaine directe,
   c) Assurer le respect des dispositions de l’article concernant les conditions auxquelles les contributions seront effectuées,
   d) Eclaircir et axiner en permanence les notes de céréales financées au moyen de contributions en espèces conformément aux dispositions de l’Accord,
   e) Fixer des contingents conservatoires et en assurer le respect conformément à l’article

5. [Texte non visible]

6. Toutes les décisions seront prises à la majorité des votes des pays donateurs ou à la majorité des votes des pays bénéficiaires.

7. Le Comité de l’aide alimentaire présentera des comptes annuels au Conseil des céréales sur les activités entreprises au titre du présent article et des articles ___ et ___.
ANNEXE

ANNEXE

HORS CONCURRENCE LA TERMINOLOGIE UTILISÉE DANS
LE DOCUMENT DE TRAVAIL

Préparée par le Groupe technique spécial


2. Par suite de la condition des dispositions du Mémoire d’Accord et des dispositions des articles 1 à 8 de l’Accord International sur le blé, le document de travail (IN(67)1151) manque de cohérence sur un certain nombre de points. En outre, lorsqu’il est question de tous les pays membres, l’Accord International sur le blé de 1962 utilise l’expression “les pays exportateurs et les pays importateurs”. Le Groupe technique est d’avis qu’il vaudrait mieux utiliser l’expression “pays membres”.

3. Le tableau ci-après montre les rapports qui unissent certaines dispositions afin de faciliter l’articulation de la terminologie.

**Article en discussion**

| Article 4/1 | "aucun des pays membres… lorsqu’il exportera": vise tous les pays membres. |
| Article 4/2 | "aucun des pays membres qui importera": vise tous les pays membres. |
| Article 4/3 | Pays exportateurs: aux fins d’application de ce paragraphe, il s’agira qu’il s’agit pour un émetteur le pays exportateur dans une annexe. |

**Observations**

| Article 4/4 | Observations |
| Article 4/5 | Observations |
| Article 4/6 | Observations |

**Vise tous les pays membres.**

Dans l’Accord international sur le blé, cette disposition visait à la fois l’obligation en pourcentage de chaque importateur et la quantité deblé obligatoire pour chaque exportateur (articles 5 et 15/4). Elle ne peut plus maintenant se reporter qu’à cette dernière obligation. Il est une disposition correspondante est jugée nécessaire en ce qui concerne l’obligation en pourcentage (pour un qui concerne l’obligation en pourcentage (pour un pays membre) ou provisionner couvrir les importations d’un pays membre en provenance d’un autre pays membre et important par un pays non membre), il devra s’agir d’une disposition séparée.

La référence à l’article 19 devra peut-être être révisée si un changement est apporté à l’article 19.

**Article 5/1 à 5**

Un rattaché à l’article 4/3.

A l’alinea a) du paragraphe 5, on pourrait ajouter après le mot “maximum” les mots “ou tout autre pays membre”.

A l’alinea b) du même paragraphe, “pays autre qu’un pays exportateur” pourrait être remplacé par “pays non membre”.

**Bleau lignes**: vise tout pays membre.

**Bleau lignes**: vise tout pays membre ou tous les pays membres.

**Article 7/1**

**Vise tous les pays membres.**

**Article 7/2**

Les expressions “pays membre” ou “participants” se rattachent à l’article 4/1.

**Article 9/1**

Les obligations dont il s’agit sont celles qui sont prévues aux articles 4/5 et 5. Il conviendrait peut-être de le préciser. Aucun changement ne semble nécessaire par ailleurs.

**Article 10**

Il conviendrait peut-être de reformuler l’expression “pays importateur” par “pays membre”.

**Article 10/1**

Il semblerait nécessaire de spécifier les obligations dont il est fait état à la troisième ligne et qui sont apparemment celles que définissent l’article 4/2.
Article 11
Si généralement les mots "pays importateur" ou "pays exportateur" semblent viser des pays membres, il semble en être particulièrement ainsi et ce qui concerne le référence aux "pays exportateurs" du paragraphe 2. Il semblerait également nécessaire de spécifier qu'il s'agit des obligations relevées de l'article 4/2.

Article 12/2
La référence aux "pays importateurs" vise des pays membres.

Article 12/3
La référence aux "pays importateurs" à la première et à la deuxième ligne concerne des pays membres.

Article 13
Les mots "à tous les pays exportateurs et à tous les pays importateurs" peuvent être remplacés par "à tous les pays membres". Au moment, aucun changement ne semble nécessaire en raison du rapport avec les articles 4/3 et 5.

Article 15
Aucun changement nécessaire; relation avec l'article 4/3.

Article 16/1
La référence aux "pays importateurs" et aux "pays exportateurs" vise des pays membres.

Article 16/2
Aucun changement nécessaire.

Article 16/3
Dans l'alinéa, cette disposition vise à la fois l'obligation en pourcentage des importateurs et la quantité de bois obligatoire des exportateurs. Il serait possible de remplacer "pays importateur" à la deuxième ligne par "pays membre qui importent" et de remplacer "pays exportateurs" ou "pays importateurs" par "pays membres". En outre, il serait souhaitable de modifier le paragraphe 3 et à nouveau d'ajouter une nouvelle disposition.

Article 16/5
Le paragraphe "le pays exportateur et le pays importateur intéressés" pourrait être remplacé par "les deux pays membres intéressés".

Article 16/7
Aucun changement dépendrait d'une modification du paragraphe 3 et 4 ci-dessus.

Observations

Article 16/9
"Pays exportateur et pays importateur" peut être remplacé par "pays membre" à condition qu'il soit fait mention des obligations prévues à l'article 4, paragraphe 2 et 3.

Article 16/10
Il est à noter que ce paragraphe introduit la notion de "pays fournissant une aide alimentaire" et "pays recevant une aide alimentaire", ce qui apporterait une définition qui se fait à l'article 2.

Article 17/1 et 2
Voir les "pays membres".

Article 17/3 et 4
Aucun changement nécessaire.

Article 17/5
Aucun changement nécessaire.

Article 18/1
Aucun changement nécessaire.

Article 18/2
Aucun changement nécessaire; il est à noter toutefois que la référence à l'article 4 est peut-être trop large.

Article 18/3
Aucun changement nécessaire.

Article 19/1
Bien que cette disposition vise deux types différents d'obligations, les mots "pays exportateurs et importateurs" pourraient être remplacés par "pays membres".

Article 19/3
Cette disposition vise à remplacer à l'article 4/3 et 4 appliqué à tous les pays membres. Elle se rattache également à l'article 4/6 sous sa forme actuelle. Le maintien de cette disposition sous sa forme actuelle semble indispensable.

Article 19/4
Cette disposition se rattache à l'article 4/3. Les mots "pays importateur" et "pays exportateur" à la première ligne et à l'article 3. Ces mots ne concède qu'aux pays membres. Les mots "pays autre que les pays exportateurs" à l'alinéa a) pourrait être remplacé par les mots "pays non membres".
Observations

Cette disposition se rattache à l'article 4/2. Les mots "pays importateurs" à la première ligne pourraient être remplacés par "pays membres"; les mots "d'autres pays importateurs" à la quatrième ligne pourraient devoir être remplacés par "pays non membres". Ce paragraphe pourrait être supprimé selon la composition finale de la liste des signataires de l'accord.

Article 20

Les mots "pays exportateurs" ou "pays importateurs", sauf en ce qui concerne le vote, pourraient être remplacés par "pays membres".

Article 23/1

Vise tous les pays membres.

Article 20/5

Vise les pays membres, sauf en ce qui concerne le vote.

Article 20/6

Vise les pays membres, sauf en ce qui concerne le vote.

Article 20/7

Vise les pays membres, sauf en ce qui concerne le vote.

Article 23

Cet article vise les "pays membres".

Article 24

Cet article vise les "pays membres".

GENERAL AGREEMENT ON TARIFFS AND TRADE

Group on Tariffs

ANNEXES

A footnote reference "36" should be placed at the end of paragraph 4 on page 36.

The text of the footnote should read:

"36The four Nordic delegations - Denmark, Finland, Norway, Sweden - have made a reservation as to their participation in the Food Aid Programme, should arrangements involving flag discrimination be introduced. They maintain that shipments shall be made on a commercial basis in free competition in order to ensure the recipient developing countries of the cheapest and most efficient transport under the programme (TD.164(00247)/8)."
A la page 51, signaler à la fin du paragraphe à un renvoi à une note de bas de page, libellée comme suit:

"Les délégations des quatre pays nordiques - Danemark, Finlande, Norvège et Suède - ont formulé une réserve quant à leur participation au Programme d'aide alimentaire, pour le cas où des arrangements impliquant une discrimination de pavillon seraient introduits. Elles redoutent que les expéditions de céréales doivent de faire sur une base controversée et dans des conditions de libre concurrence afin d'assurer aux pays de développement bénéficiaires les transport les meilleurs marché et les plus efficaces dans le cadre du programme (M66/SC/042/02, 6)."
<table>
<thead>
<tr>
<th></th>
<th>Australian 2003小麦</th>
<th>English No. 1</th>
<th>中等小麦 No. 1</th>
<th>Monthly average price</th>
<th>Monthly report price for</th>
<th>No. 7 North And West,</th>
<th>crude protein, wheat</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Export price (1)</td>
<td>Maximum price (11)</td>
<td>Export price</td>
<td>Minimum price</td>
<td>Export price</td>
<td>Minimum price</td>
<td>F.O.B. in Jaya</td>
</tr>
<tr>
<td>1902/03</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>F.O.B. in Jaya</td>
</tr>
<tr>
<td>August</td>
<td>1.57</td>
<td>1.56</td>
<td>1.60</td>
<td>1.56</td>
<td>1.57</td>
<td>1.57</td>
<td></td>
</tr>
<tr>
<td>September</td>
<td>1.58</td>
<td>1.58</td>
<td>1.60</td>
<td>1.51</td>
<td>1.57</td>
<td>1.57</td>
<td></td>
</tr>
<tr>
<td>October</td>
<td>1.57</td>
<td>1.57</td>
<td>1.58</td>
<td>1.57</td>
<td>1.57</td>
<td>1.57</td>
<td></td>
</tr>
<tr>
<td>November</td>
<td>1.59</td>
<td>1.59</td>
<td>1.58</td>
<td>1.58</td>
<td>1.57</td>
<td>1.58</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td>1.57</td>
<td>1.57</td>
<td>1.58</td>
<td>1.58</td>
<td>1.58</td>
<td>1.58</td>
<td></td>
</tr>
<tr>
<td>1903/04</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>August</td>
<td>1.60</td>
<td>1.57</td>
<td>1.58</td>
<td>1.56</td>
<td>1.57</td>
<td>1.57</td>
<td></td>
</tr>
<tr>
<td>September</td>
<td>1.60</td>
<td>1.60</td>
<td>1.57</td>
<td>1.57</td>
<td>1.57</td>
<td>1.57</td>
<td></td>
</tr>
<tr>
<td>October</td>
<td>1.59</td>
<td>1.59</td>
<td>1.58</td>
<td>1.58</td>
<td>1.58</td>
<td>1.58</td>
<td></td>
</tr>
<tr>
<td>November</td>
<td>1.58</td>
<td>1.58</td>
<td>1.57</td>
<td>1.57</td>
<td>1.57</td>
<td>1.57</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td>1.58</td>
<td>1.58</td>
<td>1.57</td>
<td>1.57</td>
<td>1.57</td>
<td>1.57</td>
<td></td>
</tr>
</tbody>
</table>

(1) Source: The World Wheat Situation and World Wheat Statistics. For 1902/03 to 1903/04, this table has been compiled from the monthly report of the Statistical Section of the World Wheat Situation and World Wheat Statistics. For 1903/04, the data is from the Statistical Section of the World Wheat Situation and World Wheat Statistics.}

For the purpose of these calculations, freight and rail freight rates have been used. Freight rates from the United Kingdom and Australia to the United Kingdom and Australia have been used. The freight rates are taken from the previous year.
<table>
<thead>
<tr>
<th>Year</th>
<th>Australian No. 1</th>
<th>Northern Hemisphere</th>
<th>Manitoba No. 2</th>
<th>Export Price</th>
<th>Maximum Price</th>
<th>Export Price</th>
<th>Maximum Price</th>
<th>Export Price</th>
<th>Maximum Price</th>
<th>Export Price</th>
<th>Maximum Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1956/57</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>August</td>
<td>1.07</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>September</td>
<td>1.46</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>October</td>
<td>1.45</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>November</td>
<td>1.46</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>December</td>
<td>1.52</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>January</td>
<td>1.50</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>February</td>
<td>1.49</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>March</td>
<td>1.50</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>April</td>
<td>1.48</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>May</td>
<td>1.47</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>June</td>
<td>1.46</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>July</td>
<td>1.46</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>1957/58</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>August</td>
<td>1.45</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>September</td>
<td>1.50</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>October</td>
<td>1.49</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>November</td>
<td>1.50</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>December</td>
<td>1.52</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>January</td>
<td>1.50</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>February</td>
<td>1.49</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>March</td>
<td>1.50</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>April</td>
<td>1.48</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>May</td>
<td>1.47</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>June</td>
<td>1.46</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
<tr>
<td>July</td>
<td>1.46</td>
<td>1.57</td>
<td>1.36</td>
<td>1.42</td>
<td>1.76</td>
<td>1.24</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
<td>1.36</td>
<td>1.76</td>
</tr>
</tbody>
</table>
Article 1
Each signatory to this Agreement agrees to negotiate a world grains arrangement, on as wide a basis as possible, in a conference promptly called for that purpose, that contains the provisions set forth in Article 2, to work diligently for the early conclusion of the negotiations, and upon completion of the negotiations to seek acceptance of the arrangement in accordance with its constitutional procedures as rapidly as possible.

Article 2
Principal Items of World Grain Arrangement
1. Pricing provisions
1. The Schedule of minimum and maximum prices, basis F.O.B. Gulf ports, is established for the duration of this arrangement as follows:

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DOLLARS</td>
<td>DOLLARS</td>
</tr>
<tr>
<td></td>
<td>(US dollars per bushel)</td>
<td>(US dollars per bushel)</td>
</tr>
<tr>
<td>Wheat</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manitoba 1</td>
<td>1.95</td>
<td>2.34</td>
</tr>
<tr>
<td>Manitoba 3</td>
<td>1.90</td>
<td>2.30</td>
</tr>
<tr>
<td>United States</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dark Northern Spring Rs. 1, 14%</td>
<td>1.83</td>
<td>2.27</td>
</tr>
<tr>
<td>Hard Red Winter No. 2 (ordinary)</td>
<td>1.75</td>
<td>2.13</td>
</tr>
<tr>
<td>Western White Rs. 1</td>
<td>1.68</td>
<td>2.08</td>
</tr>
<tr>
<td>Soft Red Winter No. 1</td>
<td>1.60</td>
<td>2.00</td>
</tr>
<tr>
<td>Argentina</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plate</td>
<td>1.73</td>
<td>2.33</td>
</tr>
</tbody>
</table>
The minimum prices and maximum prices for the specified Canadian and Argentinian wheat, F.O.B., Atlantic, Gulf and Great Lakes ports, or the specified Canadian and Argentinian wheat, F.O.B., Atlantic, Gulf and Great Lakes ports, shall be the prices equivalent to the c. and f. prices in Antwerp/Rotterdam of currently prevailing transportation costs.

### Minimum Prices and Maximum Prices

<table>
<thead>
<tr>
<th>Description</th>
<th>Minimum Price</th>
<th>Maximum Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Wheat, F.O.B., Pacific NW ports</td>
<td>1.08</td>
<td>1.90</td>
</tr>
<tr>
<td>Argentine Wheat, F.O.B., Atlantic, Great Lakes and Canadian ports</td>
<td>1.30</td>
<td>1.90</td>
</tr>
<tr>
<td>Argentine Wheat, F.O.B., Atlantic ports, and Churchill</td>
<td>1.30</td>
<td>1.90</td>
</tr>
</tbody>
</table>

**Note:** These prices are in U.S. dollars per bushel and are subject to adjustment based on the current market conditions and transportation costs.
2. Provision shall be made for continuous review by the Secretariat of the Grains Council of the situation with regard to the arrangements in respect of minimum prices and for initiating the necessary action.

3. Durum wheat and certified seed wheat shall be excluded from the provisions relating to minimum prices.

IV. MINIMUM PRICES

The purpose of the schedule of minimum prices is to contribute to market stability by making it possible to determine when the level of market prices for any wheat is at or approaching the minima of the range. Since price relationships between types and qualities of wheat fluctuate with competitive circumstances, provision is made for review of and adjustments to minimum prices on the basis of the following principles:

1. If the Secretariat of the Grains Council in the course of its continuous review of market conditions is of the opinion that a situation has arisen, or threatens imminently to arise, which appears to jeopardize the objectives of the arrangement with regard to the minimum price provisions, or if such a situation is called to the attention of the Secretariat of the Council by any member country, the Executive Secretary shall convene a meeting of the Price Review Committee within ten days and concurrently notify all member countries.

2. The Price Review Committee shall review the price situation with the view to reaching agreement on an action required by member participants to restore price stability and to maintain prices at or above minimum levels and shall notify the Executive Secretary when agreement has been reached and of the action taken to restore market stability.

3. If after three market days the Price Review Committee is unable to reach agreement on the action to be taken to restore market stability, the chairman of the Council shall convene a meeting of the Council within ten days to consider whether further measures might be taken. If, after not more than three days of review by the Council, any member country is importing or offering wheat below the minimum price as determined by the Council, the Council shall decide whether provisions of the agreement shall be suspended and if so to what extent.

4. When any minimum price has been adjusted in accordance with the foregoing, such adjustments shall terminate when the Price Review Committee or the Council finds that the conditions requiring the adjustment no longer prevail.

5. Durum wheat shall be excluded from the provisions relating to minimum prices.

V. INTERNATIONAL FOOD AID

1. The countries party to this agreement agree to contribute wheat, coarse grains, or the cash equivalent thereof, or aid in the developing countries, to an amount of 4.5 million metric tons of grain annually. Grains covered by this programme shall be suitable for human consumption and of an acceptable type and quality.

2. The minimum contribution of each country party to this agreement is fixed as follows:

<table>
<thead>
<tr>
<th>Country</th>
<th>Minimum Contribution (metric tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>42.0</td>
</tr>
<tr>
<td>Canada</td>
<td>11.0</td>
</tr>
<tr>
<td>Australia</td>
<td>9.0</td>
</tr>
<tr>
<td>Argentina</td>
<td>23.0</td>
</tr>
<tr>
<td>Brazil</td>
<td>5.0</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>0.7</td>
</tr>
<tr>
<td>Switzerland</td>
<td>3.7</td>
</tr>
<tr>
<td>Sweden</td>
<td>0.6</td>
</tr>
<tr>
<td>Denmark</td>
<td>0.5</td>
</tr>
<tr>
<td>Norway</td>
<td>0.3</td>
</tr>
<tr>
<td>Finland</td>
<td>2.0</td>
</tr>
<tr>
<td>Japan</td>
<td>0.2</td>
</tr>
</tbody>
</table>

Countries according to the arrangement may make contributions on such a basis as may be agreed.

3. The contribution of a country making the whole or part of its contribution to the programme in the form of cash shall be calculated by evaluating the contribution in kind (or the portion of the quantity not contributed in kind) at US$1.75 per metric ton.

4. Food aid in the form of grain shall be supplied on the following terms:

- (a) Value of the currency of the importing country which is not transferable and is not convertible into currency or services for use by the contributing country.
- (b) A gift of grain or a monetary grant used to purchase grain for the importing country.

Under exceptional circumstances an exception of not more than 10 per cent could be granted.
Grain purchases shall be made from participating countries. In the use of
grant funds, special regard shall be had to facilitating grain exports of
developing member countries. To this end priority shall be given so that not
less than 25 per cent of the cash contribution to purchase grain for food aid
or that part of such contribution required to purchase 250,000 metric tons of
grain shall be used to purchase grains produced in developing countries.
Contractions in the form of grain shall be placed in f.o.b. forward position
by donor countries.

5. Countries party to the Arrangement may, in respect of their
contribution to the food aid programme, specify a recipient country or countries.

VI. Miscellaneous

A grains arrangement must include, among other things, acceptable
provisions relating to such issues as voting rights, definition of commercial
transactions, guidelines for non-commercial transactions, safeguards for
commercial transactions, and provisions concerning wheat flour which take into
account the special nature of international trade in flour.

VII. Duration

The arrangement shall be effective for a three-year period.

VIII. Accession

The terms and conditions of accession of countries not original signatories
to this Agreement shall be decided upon in subsequent negotiations.

IX. Subsequent negotiations

Nothing in subsequent negotiations shall prejudice the commitments under-
taken in this Memorandum of Agreement.

Article 3

This Memorandum of Agreement shall be open for acceptance by signature
on 30 June 1967 and shall enter into force when accepted by the Governments of
Argentina, Australia, Canada, Denmark, Finland, Japan, Norway, Sweden,
Switzerland, the United Kingdom, and the United States, as by the European
Economic Community.