

No. 7542

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
INDIA**

**Exchange of letters (with annex) constituting an agreement
regarding the changes of the Government of the United
Kingdom in their production and trade policies relating
to cereals. London, 31 July 1964**

Official text: English.

*Registered by the United Kingdom of Great Britain and Northern Ireland on
13 January 1965.*

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
INDE**

**Échange de lettres (avec annexe) constituant un accord rela-
tif aux changements apportés par le Gouvernement du
Royaume-Uni à sa politique en matière de production
et de commerce de céréales. Londres, 31 juillet 1964**

Texte officiel anglais.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 13 jan-
vier 1965.*

No. 7542. EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF INDIA REGARDING THE CHANGES OF THE GOVERNMENT OF THE UNITED KINGDOM IN THEIR PRODUCTION AND TRADE POLICIES RELATING TO CEREALS. LONDON, 31 JULY 1964

I

*The Parliamentary Under-Secretary of State for Commonwealth Relations
to the High Commissioner for India*

COMMONWEALTH RELATIONS OFFICE

31st July, 1964

My Dear High Commissioner,

I should like to refer to previous exchanges between the Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as "the Government of the United Kingdom") and the Government of India regarding the changes which the Government of the United Kingdom have introduced in their production and trade policies relating to cereals. In framing their proposals, the Government of the United Kingdom have had in mind their responsibility for maintaining conditions under which a stable and efficient agricultural industry in the United Kingdom can develop its prosperity and also their responsibility as one of the major importers of cereals in the world towards their overseas cereals suppliers. The Government of the United Kingdom have also taken into account that they, and other countries who are major importers and exporters of cereals, are at present taking part in discussions in the Cereals Group of the General Agreement on Tariffs and Trade² convened for the negotiation of appropriate international arrangements for cereals under the terms of the resolution of Ministers at the Ministerial Meeting of the General Agreement on Tariffs and Trade, 21st May, 1963.³

¹ Came into force on 31 July 1964 by the exchange of the said letters.

² See footnote 2, p. 118 of this volume.

³ See footnote 3, p. 118 of this volume.

2. Pending the conclusion of long-term international cereals arrangements, the Government of the United Kingdom have declared their intention of introducing adaptations into their existing cereals policy with the objectives of promoting greater stability in the United Kingdom cereals market, and of maintaining a fair and reasonable balance between home production and imports. The measures which the Government of the United Kingdom have introduced for securing these objectives are : first, to restrain financial assistance so as to discourage the increase of domestic cereals production above a level consistent with these objectives, and second, to operate, in co-operation with their overseas suppliers, a system of minimum import prices for the main cereals, cereal products, and by-products.

3. As a result of exchanges between the Government of the United Kingdom and their four principal overseas suppliers of cereals, agreement has been reached on arrangements for co-operation in a system of minimum import prices. In addition, the Government of the United Kingdom have given certain assurances to their four principal overseas suppliers relating to continued access into the United Kingdom market for cereals imports, the benefits of which will also accrue to other suppliers.

4. The Government of the United Kingdom, after consultation with the Government of India and other co-operating Governments, have advised the Government of India of the cereals, cereal products and by-products for which minimum import prices have been prescribed. These commodities are set out in the attached Annex¹ and it is understood that the minimum import prices prescribed are acceptable to the Government of India. Any subsequent changes will be a matter for consultation between the Government of the United Kingdom and the co-operating Governments, and as regards any changes which affect the particular interests of the Government of India, the Government of the United Kingdom shall seek the agreement of the Government of India.

5. The Government of the United Kingdom shall take action to maintain the levels of the prescribed minimum import prices by such levies on imports as may be necessary for this purpose. Subject to your confirmation of the willingness of the Government of India to co-operate in these arrangements, the Government of the United Kingdom shall exempt from levies all imports of products in the attached Annex which originated in and were consigned from India to the United Kingdom except in the following circumstances :

- (i) When the general level of offering prices to the United Kingdom market from India for any product in the attached Annex is (after taking into account any customs duty chargeable) below the appropriate prescribed minimum import price for that product, the Government of the United Kingdom may, after noti-

¹ See p. 160 of this volume.