



Treaty Series No. 57 (1975)

Exchange of Notes

concerning Wheat to be supplied by the
Government of the United Kingdom of
Great Britain and Northern Ireland to
the Government of Egypt within the
framework of the Cereals Food Aid
Programme of the European Economic
Community

(The United Kingdom Food Aid Grant : Arab Republic
of Egypt Agreement 1974)

Cairo, 19 December 1974

[The Agreement entered into force on 19 December 1974]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
April 1975*

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**EXCHANGE OF NOTES
CONCERNING WHEAT TO BE SUPPLIED BY THE
GOVERNMENT OF THE UNITED KINGDOM OF GREAT
BRITAIN AND NORTHERN IRELAND TO THE GOVERNMENT
OF EGYPT WITHIN THE FRAMEWORK OF THE CEREALS
FOOD AID PROGRAMME OF THE EUROPEAN ECONOMIC
COMMUNITY**

No. 1

*Her Majesty's Ambassador at Cairo to the Minister for Foreign Affairs of
the Government of Egypt*

*British Embassy
Cairo.*

19 December 1974.

Your Excellency,

1. I have the honour to inform you that as a result of the accession of the United Kingdom of Great Britain and Northern Ireland to the European Economic Community the Government of the United Kingdom has accepted an obligation to participate in the supply of cereals under the Food Aid Convention of 1971⁽¹⁾. Within the framework of the EEC Cereals Food Aid Programme for the harvest year 1973/74 it is the intention of the Government of the United Kingdom to grant the Government of the Arab Republic of Egypt for human consumption a quantity of grain not exceeding 10,000 metric tons, of a type to be agreed between the Government of the United Kingdom and the Government of the Arab Republic of Egypt, but excluding rice.

PART A

The Government of the United Kingdom declare that it is their intention to order and pay for a quantity or quantities of grain not exceeding 10,000 metric tons for use within the territory of the Government of the Arab Republic of Egypt from sources to be chosen by the Government of the United Kingdom or, at their discretion, by its agent.

PART B

- (1) The Government of the United Kingdom shall adopt the arrangements and procedures described in the following sub-paragraphs of this Note insofar as they relate to things to be done by or on behalf of that Government. The Government of the Arab Republic of Egypt shall adopt the arrangements and procedures so described insofar as they relate to things to be done by or on behalf of that Government.

(1) Treaty Series No. 21 (1972), Cmnd. 4953.

- (2) The grain shall be delivered as soon as possible after a date to be agreed by the Government of the United Kingdom and the Government of the Arab Republic of Egypt. On delivery in accordance with sub-paragraph (5) hereof it shall be of sound marketable quality, fit for human consumption and have a moisture content of not more than 15%.
- (3) Delivery of the grain shall be arranged in the following manner. The Government of the Arab Republic of Egypt shall, before the grain is mobilized on the market, deposit with the account of the Intervention Board for Agricultural Produce at Reading, hereinafter referred to as the Intervention Board, a sum of money in a convertible currency equal to the estimated cost of all loading, unloading, storage, transport and insurance of the grain from its delivery to the EEC port or ports of loading until its receipt by the consignee at the port of unloading in Egypt. The sum shall be decided by the Intervention Board and shall be notified by the Government of the United Kingdom to the Government of the Arab Republic of Egypt in good time for the necessary payment to be made. The Government of the United Kingdom undertake that, once payment has been made they shall utilise this sum for the purpose of shipping the grain cif to the consignee, who shall be the Vice Chairman, General Organisation for Food Supply, Cairo.
- (4) Should the amount so paid by the Government of the Arab Republic of Egypt to the Intervention Board exceed the sum of the estimated costs paid in accordance with sub-paragraph (3) above (details of the actual costs to be supplied by the successful tenderer) then the Intervention Board shall refund the difference to the Government of the Arab Republic of Egypt. Conversely, if the amount so paid is insufficient to meet these costs, then the Government of the Arab Republic of Egypt shall promptly deposit a further sum in a convertible currency to make up the difference.
- (5) Possession of the grain, and all risks arising therefrom, shall pass from the Government of the United Kingdom to the Government of the Arab Republic of Egypt at the moment at which the grain is delivered at the port or ports of shipment designated by the Government of the United Kingdom, from which moment the policy of insurance shall be assigned to the Vice Chairman, General Organisation for Food Supply, Cairo. The Government of the Arab Republic of Egypt shall bear all costs subsequent to delivery of the grain at the EEC port or ports of loading, including costs of storage and where appropriate, trimming and bagging. On the delivery of the grain to the EEC port or ports of loading, the Government of the United Kingdom shall be deemed to have discharged all of their obligations hereunder.
- (6) Wharf or demurrage charges in the port of loading shall also become a charge upon the Government of the Arab Republic of Egypt. Should demurrage arise at the port of unloading the Master of the vessel shall be paid these charges by the Government of the Arab

Republic of Egypt in a convertible currency on a daily basis. Should the Government of the Arab Republic of Egypt fail to comply with this condition the Master of the vessel shall have the right to seize the cargo and remove it at once from the port.

- (7) When the grain has been delivered to the EEC port or ports of loading the Government of the United Kingdom or their agent shall notify the Government of the Arab Republic of Egypt of the date of delivery, the quantity and quality of the grain at that time and the estimated time of arrival in Egypt. A clause shall be inserted in the Charter party requiring the Master of the vessel to notify the consignee of the actual date of arrival not less than 72 hours before the event. At the time of receipt of the grain by the consignee a tolerance of 5% less than the quantity to be supplied as set out in PART A hereof shall be permitted. The Government of the Arab Republic shall nominate receiving agents in the port or ports of loading and in the port of unloading and shall notify the Government of the United Kingdom of the name of these agents in good time.
- (8) The Government of the Arab Republic of Egypt shall pay regard to Article 9 of the Wheat Trade Convention opened for signature in Washington on 29 March 1971⁽²⁾ which requires the Government of the United Kingdom to arrange concessional transactions in wheat in such a way as to avoid harmful interference with normal patterns of production and international commercial trade. To this end the Government of the Arab Republic of Egypt shall take measures to ensure that any wheat supplied as aid is in addition to and not in place of commercial supplies which could otherwise be reasonably foreseen and shall take all appropriate measures to prevent the re-export of wheat, whether received as aid or commercially, and of the by-product of the first stage processing of such wheat. The Government of the Arab Republic of Egypt shall also take measures to prevent the commercial or non-commercial export within a period of six months from the last receipt of the wheat as aid, both of locally produced cereals of the same type as that received as aid and the products of first stage processing and the by-products derived from those cereals.
- (9) The Government of the Arab Republic of Egypt shall ensure that the grain is used exclusively for human consumption in their own country and shall distribute it free of charge to persons in need in their country.
- (10) The Government of the Arab Republic of Egypt shall furnish, on request, to the officers of the British Embassy and other servants or agents of the Government of the United Kingdom such information relating to the receipt and disposal of the consignment or consignments of the grain as the Government of the United Kingdom may reasonably require to meet its obligations under the Food Aid Convention.

⁽²⁾ Treaty Series No. 21 (1972), Cmnd. 4953

2. If the foregoing proposals are acceptable to the Government of the Arab Republic of Egypt I have the honour to propose that the present Note, together with Your Excellency's reply in that sense, shall constitute an Agreement between the two Governments which shall enter into force on the date of Your Excellency's reply and which shall be known as "The United Kingdom Food Aid Grant: Arab Republic of Egypt Agreement, 1974."

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

PHILIP ADAMS

No. 2

*The Minister for Foreign Affairs of the Government of Egypt to
Her Majesty's Ambassador at Cairo*

*Ministry of Foreign Affairs
19 December, 1974.*

Sir,

I have the honour to acknowledge receipt of Your Excellency's Note of today's date which reads as follows:

[As in No. 1]

I have the honour to inform Your Excellency that the foregoing proposals are acceptable to the Government of the Arab Republic of Egypt who therefore agree that your Note, together with the present reply, shall constitute an Agreement between the two Governments in this matter.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

ISMAIL FAHMI
Minister for Foreign Affairs

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