



Treaty Series No. 13 (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 Indonesia within the framework of the Cereals Food Aid Programme of the European Economic Community

(United Kingdom Food Aid Grant : Indonesia Agreement 1973)

Jakarta, 8 February 1974

[The Exchange of Notes entered into force on 8 February 1974]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
February 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
INDONESIA WITHIN THE FRAMEWORK OF THE CEREALS
FOOD AID PROGRAMME OF THE EUROPEAN ECONOMIC
COMMUNITY**

No. 1

*Her Majesty's Ambassador at Jakarta to the Minister for Foreign Affairs
of the Republic of Indonesia*

British Embassy,

Jakarta.

8 February 1974

Your Excellency,

1. I have the honour to inform you that as the 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 1972/73 it is the intention of the Government of the United Kingdom to grant the Government of Indonesia a quantity of wheat not exceeding 5,000 metric tons for human consumption.

- A. The Government of the United Kingdom declare that it is its intention to order and pay for a quantity or quantities of wheat not exceeding 5,000 metric tons for use within the territory of the Government of Indonesia from sources to be chosen by the Government of the United Kingdom and at its discretion through an agency.
- B. (1) The Government of the United Kingdom shall adopt the arrangements and procedures described in the following subparagraphs of this Note insofar as they relate to things to be done by or on behalf of that Government. The Government of Indonesia shall adopt the arrangements and procedures so described insofar as they relate to things to be done by or on behalf of that Government.
- (2) Delivery of the wheat shall be made in bulk fob at an EEC port or ports and shall be consigned to BADAN URUSAN LOGISTIK (BULOG). Delivery shall be effected and all risks shall pass from the Government of the United Kingdom to the Government of Indonesia at the moment at which the wheat effectively passes the ship's rail at the port or ports of loading notified in accordance with sub-paragraph (3) hereunder. The Government of Indonesia shall bear all costs subsequent to delivery of the wheat, including costs of stowage and, where appropriate, trimming and bagging costs Any

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

demurrage costs or any dispatch money at the port of shipment shall be a charge on or for the benefit of the charterer.

- (3) The Government of the United Kingdom shall notify the Government of Indonesia in good time of the port or ports of loading, the quantities to be delivered at each port, the period within which loading shall begin and the daily loading rate.
- (4) When the wheat is on board the ship the Government of the United Kingdom or its agent shall notify the Government of Indonesia of the date of loading and the quantity and quality of the wheat at the time of loading. On delivery of the wheat a tolerance of 5% less than the quantity to be supplied as in paragraph 1 shall be permitted.
- (5) The Government of Indonesia shall make available at its own expense at the appropriate port or ports referred to in sub-paragraph (3) above a vessel or vessels of suitable size and capacity which shall be ready to load the wheat during the loading period referred to in sub-paragraph (3) above. Should the Government of Indonesia fail to comply with this request either wholly or partly, the wheat or part of the wheat shall be held at the expense, risk and peril of the Government of Indonesia. Furthermore, if no arrangement with regard to the disposal of the wheat has been arrived at between the Government of Indonesia and the Government of the United Kingdom within a period of 28 days from the date set for loading to begin the Government of the United Kingdom may consider that it has discharged any and all its obligations hereunder. The Government of Indonesia shall ensure that the arrangements for determining the choice of vessel to be used to transport the wheat are not prejudiced in favour of the ships of any particular flag or flags.
- (6) The Government of Indonesia shall notify the Government of the United Kingdom as soon as possible but not less than 15 clear days in advance of the date laid down for delivery as laid down in sub-paragraph (3) above of the name of the ship and its owners, the estimated date of arrival of the ship in port and when it can begin loading. The Government of Indonesia shall also insert in the charter party a clause requiring the master of the ship to inform the Government of the United Kingdom at least 72 hours in advance of the expected date of arrival of the ship in port.
- (7) The Government of Indonesia shall arrange and pay for insurance of the wheat from the port or ports of shipment as notified under sub-paragraph (3) above to a place of destination in Indonesia and shall also meet any demurrage, storage, distribution or other costs after delivery has been effected as described in sub-paragraph (2) above. The Government of Indonesia shall nominate a receiving agent or agents in the port or ports of shipment and shall notify the Government of the United Kingdom of the name of the agent or agents in good time.
- (8) The wheat shall be delivered as soon as all arrangements can be made. On delivery in accordance with sub-paragraph (4) hereof it shall be of sound marketable quality fit for human consumption and have a moisture content not exceeding fourteen and one half per cent.

- (9) The Government of Indonesia shall pay regard to Article 9 of the Wheat Trade Convention opened for signature in Washington on 29 March 1971⁽²⁾ regarding the need for the Government of the United Kingdom to arrange concessional transactions in wheat in such a way as to avoid interference with normal patterns of production and international commercial trade. To this end the Government of Indonesia shall take measures to ensure that the 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-products of first stage processing of such wheat. The Government of Indonesia shall also take measures to prevent the commercial or non-commercial export within a period of six months, as from the last delivery 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.
- (10) The Government of Indonesia shall use the wheat exclusively for human consumption in its own country and shall charge for any part of the wheat sold on its market the prices which are normally charged on that market for products of comparable quality.
- (11) The Government of Indonesia 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 consignments of the wheat as the Government of the United Kingdom may reasonably require to meet its obligations under the Food Aid Convention.

2. If the foregoing proposals are acceptable to the Government of Indonesia 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: Indonesia Agreement 1973".

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

W. I. COMBS

(Her Britannic Majesty's Ambassador).

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

No. 2

*The Minister for Foreign Affairs of the Republic of Indonesia to
Her Majesty's Ambassador at Jakarta*

Jakarta.

February 8, 1974.

Your Excellency,

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

[As in No. 1]

I confirm that the proposals contained in your Note are acceptable to the Government of Indonesia and that your Note and this reply shall constitute an agreement between our two Governments which shall enter into force on the date of this Note and shall be known as the "United Kingdom Food Aid Grant: Indonesia Agreement 1973".

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

ADAM MALIK

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