

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(78) 174 final

Brussels, 25 April 1978

COMMUNICATION FROM THE COMMISSION TO THE COUNCIL  
concerning the further extension of the International Wheat  
Agreement, 1971

---

COM(78) 174 final

## Introduction

- I. The International Wheat Agreement, 1971, as extended by protocol, will expire on 30th June 1978 unless it is extended before that date by means of further protocols of extension relating to the two separate juridical instruments of which it is composed, namely:
  - (a) The Wheat Trade Convention, 1971, and
  - (b) The Food Aid Convention, 1971
2. At its meeting of 22nd March 1978 the Committee of Permanent Representatives recommended to the Council by written procedure that the Commission be authorized to negotiate, on behalf of the Community, Protocols of Extension of one year of the two existing Conventions, without modification of their content. (Doc S/604/78). The Council formally so decided on 23rd March 1978.
3. The texts of two protocols for this purpose (copies annexed at Annex 2) were established by a Conference of Governments of members of the Agreement, held in Geneva on 23rd March 1978.
4. The Protocols are open for signature in Washington from 26th April to 17th May 1978 inclusive. (Articles 5 and V respectively refer). The Community and its Member States should accordingly make the necessary arrangements to sign within this period.
5. In the event of Community signature not being effected within this period, the final deadline for Community action is 23rd June 1978 by way of accession. (Articles 7 and VII respectively refer).
6. In either case, the deposit of a declaration of provisional application of the Protocols will be necessary, pending their ratification and conclusion.

Financial Considerations

7. There are no new financial implications.
8. Expenditure under the Wheat Trade Convention is estimated to be approximately £90 000 (216 000 u.c.). Expenditure under the Food Aid Convention will continue to be on the basis of a total aid obligation of 1 287 000 tonnes of cereals at current costs. The allocation of these costs between the Community as such and the individual Member States will continue to be on the basis of the Council's decision as to apportionment.

Recommendation

9. The Council is invited to decide in favour of the signature of the Protocols by 17th May 1978.
10. In the eventuality of signature by 17th May proving impossible, the Council is invited to decide on accession to the Protocols before the final deadline of 23rd June 1978.
- II. Draft texts of the necessary juridical documents are annexed at Annex I,

## ANNEX I

- A. Recommendation for a Council decision concerning the signature of the Protocols for the Fourth Extension of the Wheat Trade Convention and the Food Aid Convention constituting the International Wheat Agreement, 1971.
  
- B. Recommendation for a Council decision concerning the signature and deposit of a declaration of provisional application of the protocols for the Fourth Extension of the Wheat Trade Convention and the Food Aid Convention constituting the International Wheat Agreement, 1971.
  
- C. Draft declaration of provisional application of the Protocols.

ANNEX I A

Recommendation for a  
Council Decision

concerning the signature of the Protocols for the Fourth Extension of  
the Wheat Trade Convention and the Food Aid Convention constituting the  
International Wheat Agreement, 1971

---

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,  
and in particular Article II3 thereof,

Having regard to the recommendation from the Commission,

HAS DECIDED AS FOLLOWS :

Sole Article

The President of the Council is hereby authorized to designate the person empowered  
to sign the Protocols for the Fourth Extension of the Wheat Trade Convention  
and the Food Aid Convention constituting the International Wheat Agreement,  
1971, texts of which Protocols were established at the Conference for that  
purpose held in Geneva on 23 March 1978.

By the Council .

ANNEX I B

Recommendation for a  
Council Decision

concerning the signature and the deposit of a declaration of provisional application of the Protocols for the Fourth Extension of the Wheat Trade Convention and the Food Aid Convention constituting the International Wheat Agreement, 1971

---

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,  
and in particular Article II3 thereof,

Having regard to the recommendation from the Commission,

HAS DECIDED AS FOLLOWS :

Sole Article

The President of the Council is hereby authorized to designate the person empowered to sign the declaration of provisional application annexed hereto and to deposit it with the Government of the United States of America.

By the Council

ANNEX I C

Draft

Declaration of provisional application of the Protocols for the Fourth Extension of the Wheat Trade Convention and the Food Aid Convention constituting the International Wheat Agreement, 1971, the texts of which Protocols were established by the Conference held for that purpose in Geneva on 23 March 1978

It will not be possible for the European Economic Community to complete by 23 June 1978 the institutional procedures provided for in Article 6 of the Protocol for the Fourth Extension of the Wheat Trade Convention, 1971 and in Article VI of the Protocol for the Fourth Extension of the Food Aid Convention, 1971.

Therefore, in accordance with Articles 8 and VIII respectively of the said Protocols, the Community makes this declaration of provisional application of the Protocols. By depositing such a declaration, the Community considers itself to be provisionally a Party to the Protocols, with all the rights and obligations which result therefrom until such time as the Council of the European Communities shall have taken a final decision on the matter.

By the Council

ANNEX 2

TEXTS OF PROTOCOLS FOR THE FOURTH EXTENSION

of

A - Wheat Trade Convention, 1971

B - Food Aid Convention, 1971



1978 PROTOCOL FOR THE FOURTH EXTENSION OF  
THE WHEAT TRADE CONVENTION, 1971

The Governments party to this Protocol:

Considering that the Wheat Trade Convention, 1971 (hereinafter referred to as "the Convention") of the International Wheat Agreement, 1971, which was further extended by Protocol in 1976, expires on 30 June 1978,

Have agreed as follows:

ARTICLE 1

Extension, expiry and termination of the Convention

Subject to the provisions of Article 2 of this Protocol, the Convention shall continue in force between the parties to this Protocol until 30 June 1979 provided that, if a new international agreement covering wheat enters into force before 30 June 1979 this Protocol shall remain in force only until the date of entry into force of the new agreement.

ARTICLE 2

Inoperative provisions of the Convention

The following provisions of the Convention shall be deemed to be inoperative with effect from 1 July 1978:

- (a) paragraph (4) of Article 19;
- (b) Articles 22 to 26 inclusive;
- (c) paragraph (1) of Article 27;
- (d) Articles 29 to 31 inclusive.

ARTICLE 3

Definition

Any reference in this Protocol to a "Government" or "Governments" shall be construed as including a reference to the European Economic Community (hereinafter referred to as "the Community"). Accordingly, any reference in this Protocol to "signature" or to the

"deposit of instruments of ratification, acceptance, approval or conclusion" or "an instrument of accession" or "a declaration of provisional application" by a Government shall, in the case of the Community, be construed as including signature or declaration of provisional application on behalf of the Community by its competent authority and the deposit of the instrument required by the institutional procedures of the Community to be deposited for the conclusion of an international agreement.

ARTICLE 4

Finance

The initial contribution of any exporting or importing member acceding to this Protocol under paragraph (1)(b) of Article 7 thereof, shall be assessed by the Council on the basis of the votes to be distributed to it and the period remaining in the current crop year, but the assessments made upon other exporting and importing members for the current crop year shall not be altered.

ARTICLE 5

Signature

This Protocol shall be open for signature in Washington from 26 April 1978 until and including 17 May 1978 by Governments of countries party to the Convention as further extended by the 1976 Protocol, or which are provisionally regarded as party to the Convention as further extended by the 1976 Protocol, on 23 March 1978, or which are members of the United Nations, of its specialized agencies or of the International Atomic Energy Agency, and are listed in Annex A or Annex B to the Convention.

ARTICLE 6

Ratification, acceptance, approval or conclusion

This Protocol shall be subject to ratification, acceptance, approval or conclusion by each signatory Government in accordance with its respective constitutional or institutional procedures. Instruments

of ratification, acceptance, approval or conclusion shall be deposited with the Government of the United States of America not later than 23 June 1978, except that the Council may grant one or more extensions of time to any signatory Government that has not deposited its instrument of ratification, acceptance, approval or conclusion by that date.

ARTICLE 7

Accession

- (1) This Protocol shall be open for accession
  - (a) until 23 June 1978 by the Government of any member listed in Annex A or B to the Convention as of that date, except that the Council may grant one or more extensions of time to any Government that has not deposited its instrument by that date, and
  - (b) after 23 June 1978 by the Government of any member of the United Nations, of its specialized agencies or of the International Atomic Energy Agency, upon such conditions as the Council considers appropriate by not less than two thirds of the votes cast by exporting members and two thirds of the votes cast by importing members.

(2) Accession shall be effected by the deposit of an instrument of accession with the Government of the United States of America.

(3) Where, for the purposes of the operation of the Convention and this Protocol, reference is made to members listed in Annex A or B to the Convention, any member the Government of which has acceded to the Convention on conditions prescribed by the Council, or to this Protocol in accordance with paragraph (1)(b) of this Article, shall be deemed to be listed in the appropriate Annex.

ARTICLE 8

Provisional application

Any signatory Government may deposit with the Government of the United States of America a declaration of provisional application of this Protocol. Any other Government eligible to sign this Protocol or whose application for accession is approved by the Council may also deposit with the Government of the United States of America a declaration of provisional application. Any Government depositing such a declaration shall provisionally apply this Protocol and be provisionally regarded as a party thereto.

ARTICLE 9

Entry into force

(1) This Protocol shall enter into force among those Governments which have deposited instruments of ratification, acceptance, approval, conclusion or accession, or declarations of provisional application, in accordance with Articles 6, 7 and 8 of this Protocol by 23 June 1978 as follows:

(a) on 24 June 1978 with respect to all provisions of the Convention other than Articles 3 to 9 inclusive and Article 21, and

(b) on 1 July 1978 with respect to Articles 3 to 9 inclusive, and Article 21 of the Convention,

if such instruments of ratification, acceptance, approval, conclusion or accession, or declarations of provisional application have been deposited not later than 23 June 1978 on behalf of Governments representing exporting members which held at least 60 per cent of the votes set out in Annex A and representing importing members which held at least 50 per cent of the votes set out in Annex B, or would have held such votes respectively if they had been parties to the Convention on that date.

(2) This Protocol shall enter into force for any Government that deposits an instrument of ratification, acceptance, approval, conclusion or accession after 23 June 1978 in accordance with the relevant provisions of this Protocol, on the date of such deposit except that no part of it shall enter into force for such a Government until that part enters into force for other Governments under paragraph (1) or (3) of this Article.

(3) If this Protocol does not enter into force in accordance with paragraph (1) of this Article, the Governments which have deposited instruments of ratification, acceptance, approval, conclusion or accession, or declarations of provisional application, may decide by mutual consent that it shall enter into force among those Governments that have deposited instruments of ratification, acceptance, approval, conclusion or accession, or declarations of provisional application.

ARTICLE 10  
Notification by depositary Government

The Government of the United States of America as the depositary Government shall notify all signatory and acceding Governments of each signature, ratification, acceptance, approval, conclusion, provisional application of, and accession to, this Protocol as well as of each notification and notice received under Article 27 of the Convention and each declaration and notification received under Article 28 of the Convention.

ARTICLE 11

Certified copy of the Protocol

As soon as possible after the definitive entry into force of this Protocol, the depositary Government shall send a certified copy of this Protocol in the English, French, Russian and Spanish languages to the Secretary-General of the United Nations for registration in accordance with Article 102 of the Charter of the United Nations. Any amendments to this Protocol shall likewise be communicated.

ARTICLE 12

Relationship of Preamble to Protocol

This Protocol includes the Preamble to the 1978 Protocols for the fourth extension of the International Wheat Agreement, 1971.

IN WITNESS WHEREOF the undersigned, having been duly authorized to this effect by their respective Governments or authorities, have signed this Protocol on the dates appearing opposite their signatures.

The texts of this Protocol in the English, French, Russian and Spanish languages shall be equally authentic. The originals shall be deposited with the Government of the United States of America, which shall transmit certified copies thereof to each signatory and acceding party and to the Executive Secretary of the Council.

ANNEX 2 B

- 7 -

1978 PROTOCOL FOR THE FOURTH EXTENSION  
OF THE FOOD AID CONVENTION, 1971

The parties to this Protocol,

Considering that the Food Aid Convention, 1971 (hereinafter referred to as "the Convention") of the International Wheat Agreement, 1971, which was further extended by Protocol in 1976, expires on 30 June 1978;

Have agreed as follows:

ARTICLE I

Extension, expiry and termination of the Convention

Subject to the provisions of Article II of this Protocol, the Convention shall continue in force between the parties to this Protocol until 30 June 1979 provided that, if a new agreement covering food aid enters into force before 30 June 1979 this Protocol shall remain in force only until the date of entry into force of the new agreement.

ARTICLE II

Inoperative provisions of the Convention

The provisions of paragraphs (1), (2) and (3) of Article II, of paragraph (1) of Article III, and of Articles VI to XIV, inclusive, of the Convention shall be deemed to be inoperative with effect from 1 July 1978.

ARTICLE III

International food aid

(1) - The parties to this Protocol agree to contribute as food aid to the developing countries, wheat, coarse grains or products derived therefrom, suitable for human consumption and of an acceptable type and quality, or the cash equivalent thereof, in the minimum annual amounts specified in paragraph (2) below:

(2) The minimum annual contribution of each party to this Protocol is fixed as follows:

	<u>Metric tons</u>
Argentina	23,000
Australia	225,000
Canada	495,000
European Economic Community	1,287,000
Finland	14,000
Japan	225,000
Sweden	35,000
Switzerland	32,000
United States of America	1,690,000

(3) For the purpose of the operation of this Protocol, any party which has signed this Protocol pursuant to paragraph (2) of Article V thereof, or which has acceded to this Protocol pursuant to paragraph (2) or (3) of Article VII thereof, shall be deemed to be listed in paragraph (2) of Article III of this Protocol together with the minimum contribution of such party as determined in accordance with the relevant provisions of Article V or Article VII of this Protocol.

#### ARTICLE IV

##### Food Aid Committee

There shall be established a Food Aid Committee whose membership shall consist of the parties listed in paragraph (2) of Article III of this Protocol and of those others that become parties to this Protocol. The Committee shall appoint a Chairman and a Vice-Chairman.

#### ARTICLE V

##### Signature

(1) This Protocol shall be open for signature in Washington from 26 April 1978 until and including 17 May 1978 by the Governments of Argentina, Australia, Canada, Finland, Japan, Sweden, Switzerland and the United States of America, and by the European Economic Community and its member States, provided that they sign both this Protocol and the 1978 Protocol for the fourth extension of the Wheat Trade Convention, 1971.



(2) This Protocol shall also be open for signature, on the same conditions, to any party to the Food Aid Convention, 1967 which is not enumerated in paragraph (1) of this Article, provided that its contribution is at least equal to that which it agreed to make in the Food Aid Convention, 1967.

#### ARTICLE VI

##### Ratification, acceptance, approval or conclusion

This Protocol shall be subject to ratification, acceptance, approval or conclusion by each signatory in accordance with its constitutional or institutional procedures, provided that it also ratifies, accepts, approves or concludes the 1978 Protocol for the fourth extension of the Wheat Trade Convention, 1971. Instruments of ratification, acceptance, approval or conclusion shall be deposited with the Government of the United States of America not later than 23 June 1978, except that the Food Aid Committee may grant one or more extensions of time to any signatory that has not deposited its instrument of ratification, acceptance, approval or conclusion by that date.

#### ARTICLE VII

##### Accession

(1) This Protocol shall be open for accession by any party referred to in Article V of this Protocol, provided it also accedes to the 1978 Protocol for the fourth extension of the Wheat Trade Convention, 1971 and provided further that in the case of any party referred to in paragraph (2) of Article V its contribution is at least equal to that which it agreed to make in the Food Aid Convention, 1967. Instruments of accession under this paragraph shall be deposited not later than 23 June 1978, except that the Food Aid Committee may grant one or more extensions of time to any party that has not deposited its instrument of accession by that date.

(2) The Food Aid Committee may approve accession to this Protocol, as a donor, by the Government of any member of the United Nations, of its specialized agencies or of the International Atomic Energy Agency, on such conditions as the Food Aid Committee considers appropriate, provided that the Government also accedes at the same time to the 1978 Protocol for the fourth extension of the Wheat Trade Convention, 1971, if not already a party to it.

(3) Accession shall be effected by the deposit of an instrument of accession with the Government of the United States of America.

#### ARTICLE VIII

##### Provisional application

Any party referred to in Article V of this Protocol may deposit with the Government of the United States of America a declaration of provisional application of this Protocol, provided it also deposits a declaration of provisional application of the 1978 Protocol for the fourth extension of the Wheat Trade Convention, 1971. Any other party whose application for accession is approved may also deposit with the Government of the United States of America a declaration of provisional application, provided that the party also deposits a declaration of provisional application of the 1978 Protocol for the fourth extension of the Wheat Trade Convention, 1971, unless it is already a party to that Protocol or has already deposited a declaration of provisional application of that Protocol. Any such party depositing such a declaration shall provisionally apply this Protocol and be provisionally regarded as a party thereto.

#### ARTICLE IX

##### Entry into force

(1) This Protocol shall enter into force for those parties that have deposited instruments of ratification, acceptance, approval, conclusion or accession

(a) on 24 June 1978 with respect to all provisions other than Article II of the Convention and Article III of the Protocol, and

(b) on 1 July 1978 with respect to Article II of the Convention and Article III of the Protocol.

provided that all parties listed in paragraph (1) of Article V of this Protocol have deposited such instruments or a declaration of provisional application by 23 June 1978 and that the 1978 Protocol for the fourth extension of the Wheat Trade Convention, 1971 is in force. For any other party that deposits an instrument of ratification, acceptance, approval, conclusion or accession after the entry into force of the Protocol, this Protocol shall enter into force on the date of such deposit.

(2) If this Protocol does not enter into force in accordance with the provisions of paragraph (1) of this Article, the parties which by 24 June 1978 have deposited instruments of ratification, acceptance, approval, conclusion or accession, or declarations of provisional application may decide by mutual consent that it shall enter into force among those parties that have deposited instruments of ratification, acceptance, approval, conclusion or accession, or declarations of provisional application, provided that the 1978 Protocol for the fourth extension of the Wheat Trade Convention, 1971 is in force, or they may take whatever other action they consider the situation requires.

#### ARTICLE X

##### Notification by depositary Government

The Government of the United States of America as the depositary Government shall notify all signatory and acceding parties of each signature, ratification, acceptance, approval, conclusion, provisional application of, and accession to this Protocol.

ARTICLE XI

Certified copy of the Protocol

As soon as possible after the definitive entry into force of this Protocol, the depositary Government shall send a certified copy of this Protocol in the English, French, Russian and Spanish languages to the Secretary-General of the United Nations for registration in accordance with Article 102 of the Charter of the United Nations. Any amendments to this Protocol shall likewise be communicated.

ARTICLE XII

Relationship of Preamble to Protocol

This Protocol includes the Preamble to the 1978 Protocols for the fourth extension of the International Wheat Agreement, 1971.

IN WITNESS WHEREOF the undersigned, having been duly authorized to this effect by their respective Governments or authorities, have signed this Protocol on the dates appearing opposite their signatures.

The texts of this Protocol in the English, French, Russian and Spanish languages shall all be equally authentic. The originals shall be deposited with the Government of the United States of America which shall transmit certified copies thereof to each signatory and acceding party.