

No. 10239

---

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

**Exchange of notes constituting an agreement relating to cereals  
(with annex). London, 12 August 1969**

*Authentic text: English.*

*Registered by the United Kingdom of Great Britain and Northern Ireland on  
29 January 1970.*

---

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

**Échange de notes constituant un accord relatif aux céréales (avec  
annexe). Londres, 12 août 1969**

*Texte authentique : anglais.*

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le  
29 janvier 1970.*

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT <sup>1</sup>  
BETWEEN THE GOVERNMENT OF THE UNITED KING-  
DOM OF GREAT BRITAIN AND NORTHERN IRELAND  
AND THE GOVERNMENT OF THE HUNGARIAN  
PEOPLE'S REPUBLIC RELATING TO CEREALS

---

I

*The Secretary of State for Foreign and Commonwealth Affairs to the Hungarian  
Chargé d'Affaires ad interim*

FOREIGN AND COMMONWEALTH OFFICE  
LONDON, S.W.1

12 August, 1969

Sir,

I should like to refer to the recent discussions 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 the Hungarian People's Republic regarding the system of minimum import prices for the main cereals, cereal products and by-products operated by the Government of the United Kingdom with the objective of promoting greater stability in the United Kingdom cereals market, and the arrangements for the co-operation of the Governments of overseas supplying countries in this system.

2. The Government of the United Kingdom have advised the Government of the Hungarian People's Republic of the cereals, cereal products and by-products for which minimum import prices have been prescribed. These commodities are set out in the attached Annex and it is understood that the minimum import prices prescribed are acceptable to the Government of the Hungarian People's Republic. Any subsequent changes shall be a matter for consultation between the Government of the United Kingdom and co-operating Governments, and as regards any changes which affect

---

<sup>1</sup> Came into force on 12 August 1969, in accordance with the provisions of the said notes.

the particular interests of the Government of the Hungarian People's Republic, the Government of the United Kingdom shall seek the agreement of the Government of the Hungarian People's Republic.

3. 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 the Hungarian People's Republic 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 Hungary to the United Kingdom except in the following circumstances:

- (i) When the general level of offering prices to the United Kingdom market from Hungary 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 notifying the Government of the Hungarian People's Republic, apply a levy generally equivalent to the difference between the two to that product for so long as such conditions make it necessary.
- (ii) When an individual parcel of any product in the attached Annex originated in and was consigned from Hungary to the United Kingdom and the price paid for that parcel, together with any customs duty chargeable and any levy applicable under sub-paragraph (i) above, is less than the appropriate minimum price, a levy equal to the difference between the two may be applied.

In the implementation of these arrangements it is the intention of the Government of the United Kingdom that suitable provision shall be made to avoid prejudice to normal trade practices of forward contracting.

4. The Government of the United Kingdom shall review the minimum import price arrangements before the beginning of each crop year commencing on the 1st July, or on request during a crop year, in consultation with the Government of the Hungarian People's Republic and other co-operating Governments. If it is found as a result of such a review that the minimum import price arrangements have resulted in an appreciable distortion of the pattern of trade in the products covered by this Note between co-operating Governments supplying the United Kingdom, and in consequence have damaged or threaten to damage the established trade interests of the Govern-

ment of the Hungarian People's Republic the Government of the United Kingdom shall take effective corrective action in consultation with the Government of the Hungarian People's Republic and other co-operating Governments and in accordance with the procedures outlined in paragraph 2 above to remedy the situation.

5. It is the intention of the Government of the United Kingdom so to operate the minimum import price system that it shall not result in an impairment of the benefits enjoyed by preferential suppliers from their existing preference in the United Kingdom market. If it is found that this intention is not fulfilled or threatens not to be fulfilled, the Government of the United Kingdom shall take effective corrective action after consultation with other co-operating Governments.

6. In the light of all these considerations it is the understanding of the Government of the United Kingdom that the Government of the Hungarian People's Republic will co-operate as far as practicable in the operation and observance of minimum import prices prescribed for the products covered in the attached Annex to the understanding set out herein.

7. This Agreement may be terminated by either Government giving not less than four months' notice in writing. It is also understood that any measures taken as a result of this Exchange of Notes shall be terminated in so far as it is mutually agreed that they may be inconsistent with, or superseded by, the provisions of any international arrangements to which both the Government of the United Kingdom and of the Government of the Hungarian People's Republic later become parties. Consultations regarding the operation of this Agreement may be held at any time at the request of either Government.

8. If the foregoing is acceptable to the Government of the Hungarian People's Republic, I have the honour to suggest that this Note, together with its Annex, and Your Excellency's reply to that effect shall be regarded as constituting an Agreement between the two Governments, which shall enter into force on this day's date.

I have the honour to be, with high consideration, Sir,

For the Secretary of State:  
G. S. WHITEHEAD

## ANNEX

## SPECIFIED COMMODITIES

<i>Tariff Heading</i>	<i>Description</i>
B.N. 10.01 . . . . .	Wheat and meslin
B.N. 10.03 . . . . .	Barley
B.N. 10.04 . . . . .	Oats
Ex B.N. 10.05 . . . . .	Maize other than sweet corn on the cob
Ex B.N. 10.07 . . . . .	Grain sorghum
Ex B.N. 11.01 . . . . .	Cereal flours other than rice flour
Ex B.N. 11.02 . . . . .	Cereal groats, cereal meals, other worked cereals and germs of cereals other than: (a) rice groats, rice meal, germ of rice and other worked rice;
	(b) blocked, pot and pearled barley
Ex B.N. 23.02 . . . . .	Bran, sharps and other residues derived from the sifting, milling or working of cereals other than of rice, and excluding the residues of leguminous vegetables

## II

*The Hungarian Chargé d'Affaires ad interim to the Secretary of State  
for Foreign and Commonwealth Affairs*

EMBASSY OF THE HUNGARIAN PEOPLE'S REPUBLIC  
LONDON

12th August, 1969

Sir,

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

[See note I]

In reply, I have the honour to inform you that the foregoing is acceptable to the Government of the Hungarian People's Republic who therefore regard your Note, together with its Annex, and this reply, as constituting an Agree-

ment between our two Governments in this matter, which shall enter into force on this day's date.

I have the honour to be, with high consideration, Sir,

György VARSANYI

*(Annex as under note I)*

---