



Treaty Series No. 12 (1958)

Exchange of Notes

between the Government of the United Kingdom
of Great Britain and Northern Ireland and the Government
of the United States of America

concerning the sale for sterling to the
United Kingdom of certain quantities of
fruit and fruit products

London, January 30/February 3, 1958

*Presented to Parliament by the Secretary of State for Foreign Affairs
by Command of Her Majesty
April 1958*

LONDON
HER MAJESTY'S STATIONERY OFFICE
FOURPENCE NET

EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA CONCERNING THE SALE FOR STERLING TO THE UNITED KINGDOM OF CERTAIN QUANTITIES OF FRUIT AND FRUIT PRODUCTS

London, January 30/February 3, 1958

No. 1

The United States Ambassador at London to the Secretary of State for Foreign Affairs

*Embassy of the United States of America,
London, January 30, 1958.*

Sir,

I have the honor to refer to discussions which have taken place between representatives of the Government of the United States of America and of the Government of the United Kingdom of Great Britain and Northern Ireland relating to the sale for sterling to the United Kingdom of certain quantities of fruit and fruit products, pursuant to the United States Agricultural Trade Development and Assistance Act of 1954.

During these discussions agreement was reached in the following terms:—

1. Subject to the issuance and acceptance of purchase authorizations referred to in Paragraph 2 hereof, the Government of the United States of America will make available dollar financing for the sale, for sterling to the United Kingdom of the following commodities determined to be surplus pursuant to the Agricultural Trade Development and Assistance Act:—

<i>Commodity</i>	<i>Value (\$ thousands)</i>
Fresh lemons	800
Canned peaches, fruit cocktail, and cranberries ...	2,000
Dried prunes	4,000
Citrus juices	150
Grapefruit sections	1,000
Total	\$7,950

The Government of the United Kingdom will deposit to the account of the Government of the United States the sterling equivalent of the dollar costs financed by the United States in connection with these fruit sales.

2. Upon application by the Government of the United Kingdom, the Government of the United States will issue, within the terms of this Note, purchase authorizations which will include provisions relating to the sale and delivery of the commodities, the terms and circumstances of deposits of the pounds sterling accruing from such sales and other relevant matters.

3. The amount of sterling to be deposited to the account of the Government of the United States will be the total of the dollar disbursements made by the Government of the United States, or by a United States bank on its behalf, converted into sterling at the buying rate for telegraphic transfers on New York in the London market at the close of business on the dates of such dollar disbursements.
4. The pounds sterling accruing to the Government of the United States of America as a consequence of sales within the terms of this Note will be used by the Government of the United States of America for the following purposes, in the amounts shown:—
 - (a) Up to \$3.3 million under Section 104 (a) of the Agricultural Trade Development and Assistance Act, for programs of interest to both countries for the development of new markets for United States agricultural commodities.
 - (b) Up to \$4.5 million under Section 104 (f) of the Act, for sterling expenditures in connection with a program of military family housing in Bermuda to be agreed by the Government of Bermuda.
 - (c) The remainder under Section 104 (f) of the Act, for military family housing in the United Kingdom.
5. The two Governments will take reasonable precautions to ensure that no sales within the terms of this Note will unduly disrupt world prices of fruit or fruit products purchased pursuant to these arrangements, displace usual marketings of such fruit of the United States or other friendly countries, or materially impair trade relations among the countries of the free world.
6. The Government of the United Kingdom will take all practicable measures to prevent the resale or transshipment to other countries, or use for other than domestic purposes of fruit or fruit products purchased pursuant to these arrangements.
7. In carrying out these arrangements, the two Governments will seek to assure conditions of commerce permitting private traders to function effectively.
8. The two Governments will, upon the request of either of them, consult together regarding any matter relating to the application of these arrangements or to the operations carried out hereunder.

I now have the honor to inform you that the understandings set out in this Note are acceptable to the Government of the United States, and to propose that, if they are also acceptable to the Government of the United Kingdom, the present Note, together with your reply in that sense, should be regarded as constituting an agreement between the two Governments in this matter which shall enter into force the date of your reply.

Accept, &c.

JOHN HAY WHITNEY.

No. 2

*The Secretary of State for Foreign Affairs to the United States
Ambassador at London*

Your Excellency,

*Foreign Office, S.W. 1,
February 3, 1958.*

I have the honour to acknowledge receipt of your Note of the 30th of January which reads as follows:—

[As in No. 1]

In reply I have to inform Your Excellency that the foregoing proposal is acceptable to the Government of the United Kingdom of Great Britain and Northern Ireland and that they agree that your Note together with this reply shall constitute an agreement between the two Governments which shall enter into force on this day's date.

I have, &c.

SELWYN LLOYD.

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