ANNEX A*

(See paragraph 2)

Apples and Citrus Fruits

Copy of Note to be addressed by the United States Secretary of State to His Majesty's Ambassador at Washington

EXCELLENCY:

During the course of the negotiation of the Trade Agreement signed this day, it has been explained that the fruit growers of certain parts of the British Commonwealth, together with the United Kingdom producers, have for some time past cooperated in an organization called the Empire Fruits Council, which has made arrangements concerning the shipment of apples to the United Kingdom market from overseas, with the object of maintaining a stable and remunerative market in the interests of all concerned and of avoiding, in so far as possible, temporary periods either of oversupply or of shortage. It is understood that British Empire producers of citrus fruits are also represented in this Council.

It has been represented to me that the cooperation of the exporting interests in the United States, which is the only other major apple-exporting country, would be of great assistance in securing the orderly marketing of the crop and would be of no less benefit to them than to the other suppliers. I have the honor to inform you that the Government of the United States inclines to the view that it is in the general interest that the shipment of apples to the United Kingdom market should be so planned as to avoid excessive variations in supplies and prices, and that it will call the attention of United States exporting interests to the desirability of their cooperating with the Empire Fruits Council in such arrangements as may be feasible to assure the orderly supply of apples to the United Kingdom market.

In the foregoing connection, your attention is invited to legislation in effect (Public No. 39, 73rd Congress, approved June 10, 1933) which provides for the regulation of exports of apples (and pears) from the United States on the basis of grade or quality. Under this Act, the Department of Agriculture has issued regulations which require that all apples (and pears) shipped to foreign countries meet certain export standards. The effect of these regulations is to make large shipments of low-quality fruit to British or other foreign markets impossible.

I understand that up to the present no arrangements have been made for planning shipments of citrus fruits to the United Kingdom market, but that certain British Empire producers have expressed a desire for some form of arrangement for the orderly marketing of citrus fruits in the United Kingdom, with a view to avoiding disturbances resulting from sudden fluctuations in supplies. I have the honor to inform you that, in the event the principal supplying countries (including foreign countries) should agree to cooperate in arrangements for the orderly supply of citrus fruits to the United Kingdom market, the Government of the United States would call the attention of the United States exporters to the desirability of cooperating in any feasible arrangements to this end.

^{*}The Hon. Cordell Hull, Secretary of State of the United States of America, signed this note to His Majesty's Ambassador in Washington on November 17, 1938.