

INTERNATIONAL WHEAT AGREEMENT

Washington, March 5, 1948

PREAMBLE

The Governments on whose behalf this Agreement has been signed, Recognizing that there is now a serious shortage of wheat, and that later there may be a serious surplus;

Believing that the high prices resulting from the present shortage and the low prices which would result from a future surplus are harmful to their interests, whether they are producers or consumers of wheat; and

Concluding therefore that their interests, and the general interest of all countries in economic expansion, require that they should cooperate to bring order into the international wheat market,

Have agreed as follows:

ARTICLE I

Objectives

The objectives of this Agreement are to assure supplies of wheat to importing countries and to assure markets to exporting countries at equitable and stable prices.

ARTICLE II

Rights and Obligations of Importing and Exporting Countries

1. The quantity of wheat prescribed in Annex I to this Article for each importing country shall be called that country's "guaranteed purchases" and shall represent the quantity of wheat which the International Wheat Council established by Article XI:

(a) may, in accordance with the provisions of paragraph 2 of Article IV, require that country to purchase at the minimum prices specified in or determined under the provisions of Article VI for shipment during the current crop-year from the exporting countries; or

(b) may, in accordance with the provisions of paragraph 1 of Article IV, require the exporting countries to sell to that country at the maximum prices specified in or determined under the provisions of Article VI for shipment during the current crop-year.

2. The quantity of wheat prescribed in Annex II to this Article for each exporting country shall be called that country's "guaranteed sales" and shall represent the quantity of wheat which the Council:

(a) may, in accordance with the provisions of paragraph 1 of Article IV, require that country to sell at the maximum prices specified in or determined under the provisions of Article VI for shipment during the current crop-year to the importing countries; or

(b) may, in accordance with the provisions of paragraph 2 of Article IV, require the importing countries to purchase from that country at the minimum prices specified in or determined under the provisions of Article VI for shipment during the current crop-year.