

2. The discussions at Washington, which extended over a period of many months, have made it clear that a satisfactory solution of the problem requires an international wheat agreement and that such an agreement requires a conference of the nations willing to participate which have a substantial interest in international trade in wheat. It was also recognized that, pending the holding of such a conference, the situation should not be allowed to deteriorate. The Washington Wheat Meeting has recorded the results of its deliberations in the attached Draft Convention in order to facilitate further international consideration of the subject at such time as may be possible and to provide a basis for such interim measures as may be found necessary.

3. The Washington Wheat Meeting has recognized that it is impracticable to convene at the present time the international wheat conference referred to above. Accordingly, the five countries present at that Meeting have agreed that the United States, so soon as after consultation with other countries it deems the time propitious, should convene a wheat conference of the nations having a substantial interest in international trade in wheat which are willing to participate, and that the Draft Convention above mentioned should be submitted to that Conference for consideration.

4. In the meantime, there should be no delay in the provision of wheat for relief in war-stricken and other necessitous areas so soon as in the view of the five countries circumstances permit. Likewise it is imperative that the absence of control measures over the accumulation of stocks in the four countries now producing large quantities of wheat for markets no longer available should not create insoluble problems for a future conference. Accordingly, the five countries have agreed to regard as in effect among themselves, pending the conclusions of the conference referred to above, those arrangements described in the attached Draft Convention which are necessary to the administration and distribution of the relief pool of wheat and to the control of production of wheat other than those involving the control of exports.

5. If the conference contemplated above shall have met and concluded an agreement prior to the cessation of hostilities, no further action will be needed by the countries represented at the Washington Meeting. However, if this is not the case, it will be necessary, in order to prevent disorganization and confusion in international trade in wheat, to institute temporary controls pending the conclusions of the conference. Accordingly, the five countries agree that in the period following the cessation of hostilities, and pending the conclusion of a wheat agreement at the conference referred to, the arrangements described in the attached Draft Convention which relate to the control of production, stocks and exports of wheat and to the administration thereof will be brought into effect among themselves. Those arrangements will come into effect on such date as may be unanimously agreed. Announcement of that date will be made within six months after the cessation of hostilities.

6. Pending the conclusions of the conference contemplated above, the five countries, on the cessation of hostilities or such earlier date as they may agree, will regard as in effect among themselves the arrangements described in the attached Draft Convention for the control of the prices of wheat. The determination of prices required to be made in accordance with those arrangements will be made by unanimous consent. If no determination of prices has been made on the cessation of hostilities, the five countries will, pending such determination but for a period not exceeding six months, maintain as the export price of wheat the last price negotiated by the United Kingdom for a bulk purchase of wheat from the principal country of supply; equivalent f.o.b. prices will be calculated for wheats of the other exporting countries and will be adjusted from time to time to meet substantial changes in freight and exchange rates.