

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

DPC/C/40
23 June 1986

Special Distribution

International Dairy Arrangement

COMMITTEE OF THE PROTOCOL REGARDING CERTAIN CHEESES

Report to the International Dairy Products Council

1. In pursuance of Article VII:2(a) of the Arrangement and Rule 22 of the Rules of Procedure, the Committee adopted the present report on its twenty-sixth session.
2. The Committee held its twenty-sixth session on 16 June 1986.
3. The Committee adopted the agenda proposed in airgram GATT/AIR/2284 and adopted the report on its twenty-fifth session (DPC/C/39).
4. The Committee reviewed the replies to the questionnaire and requested members which had not yet communicated information for the first quarter of 1986 to do so without delay. The Committee took note of the summary tables prepared by the secretariat.
5. The Committee took note of information furnished by New Zealand regarding operations under Article 7:2 of the Protocol, of comments made on the application of this provision and of the concern expressed with regard to the increase in sales under this derogation.
6. An exchange of information and views took place in the Committee regarding the market situation for products covered by the Protocol. Among the salient points characterizing the market situation, the Committee noted that international prices of Cheddar cheese had fluctuated between US\$ 1,100 and US\$ 1,500 per tonne f.o.b during the second quarter of 1986. It was also noted that competition had remained strong in certain markets resulting in a pressure on prices. Concern was expressed with regard to the continued increase in United States production and stocks, and adverse effects of any special exports to be made by the United States.
7. The next sessions of the Committees will be held consecutively on 22 and 23 September 1986, subject to confirmation by the secretariat.