

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

DPC/F/43
23 June 1986

Special Distribution

International Dairy Arrangement

COMMITTEE OF THE PROTOCOL REGARDING MILK FAT

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 17 June 1986.
3. The Committee adopted the agenda proposed in airgram GATT/AIR/2284 and adopted the report on its twenty-fifth session (DPC/F/42).
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 butter deliveries under the provisions of the Resolution of 16 November 1984 and noted that all deliveries of butter and anhydrous milk fat under sales notified prior to 1 June 1985, according to the Resolution of 16 November 1984 (DPC/13) and the Decision of 31 May 1985 (DPC/20), had been completed. The secretariat will prepare and circulate a relevant register of sales, following consultations with delegations mainly concerned.
6. The Committee took note of the notification from the EEC (DPC/F/W/23/Add.1) under the Decision adopted on 31 May 1985 (DPC/F/35). It also took note of additional information furnished by the EEC and of the comments made.
7. The Committee held an exchange of information and views regarding the market situation for products covered by the Protocol. It was noted that international prices of butter remained low at or slightly above the minimum export price and stocks remained excessive.
8. The Committee discussed the specific problems of the butter trade. The Committee took note of a proposal made by New Zealand on how to deal effectively with the serious and urgent problems in the butter market. The proposal assumed close co-operation among the major butter exporting countries in regard to the disposal of surplus butter and other participants were invited to support or join in these efforts. The New Zealand delegation undertook to refine its proposal further and submit it in writing. The Committee agreed to revert to the proposal at a later meeting.
9. The next sessions of the Committees will be held consecutively on 22 and 23 September 1986, subject to confirmation by the secretariat.