

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

DPC/6

15 June 1982

Special Distribution

International Dairy Arrangement

INTERNATIONAL DAIRY PRODUCTS COUNCIL

Note by the Chairman

1. At its meeting on 1 April, the International Dairy Products Council discussed the question of a possible contribution to the preparations for the Ministerial Meeting.
2. A number of issues of relevance to the International Dairy Arrangement and to the trade in dairy products are being considered in the preparatory work for the Ministerial Meeting, but it was felt that there were no specific issues which needed to be introduced into the preparatory work at this stage. Nevertheless it should be recalled that, in accordance with its Article I, the objectives of the Arrangement are to achieve the expansion and ever greater liberalization of world trade in dairy products to the benefit of all countries, exporters and importers, and to further the economic and social development of developing countries.
3. The Council was of the opinion that it should be recorded that the International Dairy Arrangement has functioned satisfactorily during its first years of operation, and that the Arrangement has indeed contributed to the stability of the international market. It noted, however, that developments in the international dairy market depend on a number of factors, among which effective cooperation among its participants is, and will continue to be, of decisive importance. Such cooperation would be strengthened by increased participation in the Arrangement itself, and the continued strict application of its provisions.
4. It may be mentioned, in this connection, that it would be desirable for the participants in the Arrangement to include the main trading partners of the sector and for a greater number of developing countries to be represented. Furthermore, satisfactory operation of the Arrangement requires a knowledge of the market which can only be ensured by compliance with the provisions of the Arrangement relating to information.
5. The Council may, at a later stage, wish to make a more substantive contribution to the preparations for the Ministerial Meeting. Similarly, individual delegations are, of course, free to raise, in the Preparatory Committee, matters relevant to the dairy sector and participants to the Arrangement will no doubt be bearing in mind their dairy interests in the context of ongoing work in the Preparatory Committee.