

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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CONTRACTING PARTIES
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DISPOSAL OF COMMODITY SURPLUSES

Reports by Contracting Parties

1. The CONTRACTING PARTIES at their twenty-third session (SR.23/5) agreed to the retention of this item on the agenda for the twenty-fourth session.
2. In document L/2849 contracting parties were invited to submit notifications as regards the disposal of commodity surpluses, the liquidation of strategic stocks or disposals from stocks otherwise held by government agencies. To date notifications have been received from the following contracting parties:

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The United States mission has advised that a notification will be submitted shortly and this will be circulated as an addendum to this paper.

Australia

Disposal of Commodity Surpluses

Australia has no regular surplus disposals programme. However, there have been occasions when gifts of commodities have been given under the Colombo Plan. In each case measures have been taken to avoid disruption of the commercial sales of Australian and other suppliers.

The object of the Colombo Plan is to assist in the development of the less-developed country members and Australia gives priority to aid in the form of technical assistance and capital equipment.

Colombo Plan gifts are made in response to requests from recipient countries (assistance being arranged on a bilateral basis). Most of Australia's contribution has been predominantly equipment for development projects. However, gifts

of wheat, flour and skimmed milk have at times been made available, and the funds raised by the sale of these commodities have been devoted to the local costs of development projects in the recipient countries.

During the period 1 January 1966 to 30 June 1967, Australia participated in an emergency famine relief aid programme for India, the Australian contribution being in the form of gifts of wheat and flour. It should be noted that this wheat was not surplus and that there is no reason to believe that it could not have been disposed of commercially if it had not been provided as aid. A further substantial gift of wheat will be made to India, as well as a further gift of wheat to Pakistan, as emergency food aid in 1967/68.

The following information is supplied in accordance with paragraph 3 of document L/2849.

- (a) There is no general programme for disposal of surplus commodities. Australia participates in the World Food Programme conducted under the auspices of the United Nations/Food and Agriculture Organization and our contributions under the programme are included in the regular returns made available by the Executive Director.
- (b) No commodity surpluses have been disposed of by Australia since the last report. In the period 1 January 1966 to 30 June 1967, Australia has made the following gifts of commodities within its external assistance programme:

<u>Country</u>	<u>Commodity</u>	<u>Amount</u> (tons)	<u>Value</u> (Dollars Australian)
India	Wheat	268,000	14,830,000
	Flour	18,700	1,400,000
	Milk powder	1,286	334,373
Pakistan	Wheat	10,184	660,000
Ceylon	Flour	12,000	877,000
Indonesia	Flour	3,200	297,000
Western Samoa	Flour	1,200	113,000
Laos	Flour	1,158	120,000

Canada

The following is the text of a communication received from the Canadian Permanent Mission.

"I have the honour to refer to GATT document No. L/2849 dated 19 September 1967 and wish to inform you that the Canadian Government's general programme for disposal of surpluses remains as in document No. L/2605 dated 28 March 1966 which was provided for the consideration of CONTRACTING PARTIES at the twenty-third session.

"The following are details of the transactions since that notification. During the fiscal year ending 31 March, the agricultural stabilization board disposed of remaining stocks of canned pork acquired in 1959; 300,000 pounds were destroyed because of spoilage and 1.2 million pounds valued at \$239,000 were sold domestically. In addition, 96,000 pounds of butter oil valued at \$27,000 was sold for export."

United Kingdom

Strategic Stocks

"I. Industrial raw materials

"1. Disposals have continued on the lines described in earlier reports which covered the period 1 October 1960 to 31 December 1965. No formal consultations with other countries have been necessary in respect of deliveries of surplus stockpile commodities during the subsequent period 1 January 1966 to 30 June 1967, which were:

	<u>Tons</u>
Pyrites	9,833
Tungsten ore (n.d.w.)	613
Mica	153

"2. The above disposals were by commercial sales except that some tungsten ore was used by Government departments.

"II. Essential foodstuffs

"3. The United Kingdom has strategic stockpiles of several essential foodstuffs and there is no intention of liquidating these stocks which are renewed by means of turnover transactions. No consultations with other countries have therefore been necessary."

