

GENERAL AGREEMENT ON TARIFFS AND TRADE

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ARTICLE XIX - ACTION TAKEN BY SPAIN

Cheeses

The following communication dated 7 May 1980 has been received from the Permanent Delegation of Spain, with the request that it be circulated to the contracting parties.

In order to try to remedy the critical situation of the domestic cheese industry in Spain (at the end of April this year the amount of unsold cheese in stock was in excess of 32,000 tons, mainly due to the substantial increase in Spanish imports of cheese, which in 1979 amounted to over 27,000 tons), the Spanish authorities have decided partly to suspend the complete liberalization of imports for products falling within heading 04.04 of the Spanish customs tariff (cheese and curd), while endeavouring to maintain traditional import flows and an adequate level of supply of foreign cheeses in the internal market.

This measure, taken in view of the critical circumstances mentioned above, which involve serious injury to Spanish cheese producers, should be considered as emergency action under Article XIX:1(a) of the General Agreement.

The Spanish authorities are carefully studying the system of aids and subsidies which certain countries are granting for the production and/or export of dairy products, in particular cheeses with a view to adopting appropriate measures that would allow complete liberalization of cheese imports to be restored, while safeguarding the interests of the domestic producing industry.

The Spanish authorities are prepared, in accordance with the provisions of Article XIX, to enter into consultations with the contracting parties concerned, and in particular with those which originally negotiated the binding, within GATT, of the customs duty applicable to heading 04.04 of the Spanish tariff.

