

# GENERAL AGREEMENT ON TARIFFS AND TRADE

---

## INTERNATIONAL DAIRY PRODUCTS COUNCIL

### Special Meeting of 15 May 1985

#### Note by the Chairman

1. The International Dairy Products Council held a special meeting in accordance with Article VII:1(b) of the International Dairy Arrangement on 15 May 1985. The meeting had been requested by the Commission of the European Communities for the purpose of considering the abrogation of the Resolution of 16 November 1984 (DPC/13).

2. The Chairman recalled that the Committees of the Protocols had for some time been considering modifying the levels of the minimum prices in the Arrangement. Furthermore, the idea of modifying these levels in order to alleviate any adverse effects of currency fluctuations had been discussed. They had also considered a proposal for the sale of old butter by derogation from the provisions of the Protocol Regarding Milk Fat pursuant to Article 7 of said Protocol. A possible agreement to rescind the Resolution of 16 November 1984 was linked to the questions of modifying and adjusting minimum price levels and of disposals of old butter. The Chairman therefore invited the Chairman of the Committees of the Protocols to report on the progress made on these other matters.

3. The Chairman of the Committees of the Protocols in an oral statement to the Council, reported that the Committee of the Protocol Regarding Certain Milk Powders, the Committee of the Protocol Regarding Milk Fat and the Committee of the Protocol Regarding Certain Cheeses had met in a special joint session on 17 and 18 April and on 13 and 15 May 1985. The purpose of the meeting was to pursue the examination of proposals to modify the levels of the minimum prices in the Arrangement, to consider further the question of establishing modalities for adapting minimum prices to monetary fluctuations and furthermore consider proposals for disposal of old butter by derogation from the price provisions of Article 3 of the Protocol Regarding Milk Fat and pursuant to Article 7 of said Protocol.

4. Appreciable progress had been made and several delegations had declared themselves ready to join a consensus. However, it was still necessary to pursue further the bilateral consultations between certain participants which were having divergent opinions about certain points. The Chairman of the Committees nevertheless expressed the conviction that it could be possible to reach agreement on these questions in a not too distant future. The Committees had agreed to hold another special joint meeting on 30 and 31 May 1985.

5. The Council took note of the statement by the Chairman of the Committees.

./.

6. During the subsequent discussion it was stressed that all sales of butter and anhydrous milk fat made according to the Resolution of 16 November 1984 should be notified to the secretariat. Some participants said that they had no intentions of making further sales according to the Resolution, but could not renounce upon their right to do so, if the Resolution could not be abrogated at this time.

7. While some participants could agree to the rescinding of the Resolution of 16 November 1984, with immediate effect, others stressed the link to the questions still being dealt with in the Committees and were unable to join a consensus on rescinding the Resolution as long as solutions had not been agreed upon with regard to price levels and the disposal of old butter.

8. Under these circumstances, the Council noted that it was unable to reach a decision on the proposal by New Zealand to rescind the Resolution of 16 November 1984. It urged the Committees to pursue further their considerations of prices and other current problems facing the Arrangement with the aim of reaching a solution at the meeting scheduled for the end of May 1985.

9. It was agreed that the Council should hold another special meeting in conjunction with the special joint meeting of the Committees scheduled for 30 and 31 May 1985.