

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

INTERNATIONAL DAIRY PRODUCTS COUNCIL

Special Meeting of 31 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 31 May 1985. The purpose of the meeting was to consider the abrogation of the Resolution of 16 November 1984 (DPC/13).
2. The Chairman recalled that the Committees of the Protocols had, since February of this year, been considering modifying the levels of the minimum prices in the Arrangement and the idea of adjusting these levels in order to alleviate any adverse effects of currency fluctuations. They had also been discussing the idea that old butter might be disposed of by derogations from some of the provisions of the Protocol Regarding Milk Fat.
3. The Chairman of the Committees in an oral statement to the Council reported that at a joint special meeting held on 30 and 31 May 1985, agreement had been reached on all the points under consideration. The minimum price for whole milk powder had been lowered from US\$950 to US\$830 per ton, the minimum price for anhydrous milk fat from US\$1,440 to US\$1,200 per ton and that for butter from US\$1,200 to US\$1,000 per ton, all prices f.o.b. Furthermore, a decision had been adopted under which butter older than eighteen months could, subject to certain conditions, be sold at prices inferior to the minimum prices referred to in the Protocol Regarding Milk Fat. These decisions were to become effective as of 5 June 1985. (The full texts of the decisions by the Committees have been circulated in documents DPC/P/34, DPC/F/34 and DPC/F/35.) With regard to adjustment of minimum prices following fluctuations in the exchange rate for the US dollar, it had been agreed to consider technical modalities for such adjustment at the next regular meetings of the Committees in June 1985.
4. The Council took note of the statement by the Chairman and of subsequent comments made by representatives.
5. The Council decided to rescind, with effect as of 5 June 1985, the Resolution of 16 November 1984. This decision was made on the understanding that no further sales of butter and anhydrous milk fat other than those notified prior to 1 June 1985 could take place under said Resolution, and that deliveries under such sales should be completed by 30 June 1986, at the latest. (The full text of the decision has been circulated as document DPC/20.)