

GENERAL AGREEMENT ON

RESTRICTED

Spec(87)28/Rev.1
27 May 1987

TARIFFS AND TRADE

International Dairy Arrangement

COMMITTEE OF THE PROTOCOL REGARDING MILK FAT

Proposal by New Zealand

Draft Decision

Revision

1. The Committee of the Protocol Regarding Milk Fat met on 8 and 26 May 1987, in accordance with Article IV(6) of the International Dairy Arrangement and paragraph 5 of the Decision of 31 May 1985 (DPC/F/35) enabling a derogation from the minimum price obligations of the Protocol.
2. The purpose of the meeting was:
 - (a) to examine the situation of the traditional suppliers of the USSR in the light of the notification by New Zealand (DPC/F/W/28), of difficulties arising in the conclusion of a sale consistent with the derogation, and
 - (b) to determine, as required by paragraph 5 of the derogation, other measures in accordance with Article IV(6) of the International Dairy Arrangement to meet the situation.
3. The Committee noted that the derogation expired on 31 December 1986. Whatever measures it defined, therefore, were aimed only at ameliorating the situation of participants who, being traditional suppliers in terms of paragraph 4 of the derogation, had engaged in consultations with the EC to attempt to define measures to enable traditional sales to take place.
4. The Committee noted that those consultations had revealed that while measures adopted by the EC enable certain traditional volumes of butter sales to be made, it may not be possible for all such sales to be concluded at prices fully consistent with Article 3 of the Protocol.

5. Bearing in mind the urgency now arising, the Committee determines that the actions as notified by New Zealand (DPC/F/W/28), and similar action, should it be notified by other participants referred to in paragraph 3 above, shall be deemed to be measures required to meet the particular situation.

Alternative I

[6. The Committee agreed that any such notifications for shipments of butter to the USSR in 1987 would be deemed to be consistent with this determination with effect from the date of New Zealand's notification.]

Alternative II (proposed by Australia)

[6. The Committee agreed that any such notifications made during 1987 for deliveries of butter to the USSR would be deemed to be consistent with this determination with effect from the date of New Zealand's notification. Deliveries shall be completed where feasible by the end of 1987 or as soon as practicable thereafter.]