

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

Spec(88)23
29 April 1988

International Dairy Arrangement

COMMITTEE OF THE PROTOCOL REGARDING CERTAIN CHEESES

Thirty-Third Session

Draft Report

Agenda items A, B, C, F, G, H, I and J

1. Agenda items A, B, C, F, G, H, I and J were discussed at a joint session of the three Protocol Committees and have been incorporated in Spec(88)22.

Transactions other than normal commercial transactions

2. The Committee noted that no transactions other than normal commercial transactions had taken place in this sector.

Sales under derogations

3. The Committee took note of the information provided by New Zealand concerning its sales of low quality cheese notified in relation to Article 7:2 of the Protocol Regarding Certain Cheeses in the third quarter of 1987 (DPC/C/W/26/Add.10). The Committee was informed that there had been no sales of low-graded cheese during the fourth quarter of 1987.

4. The Committee also took note of the register of sales issued in document DPC/C/W/27/Rev.7.

5. The Chairman informed the Committee that Australia had indicated its intention to sell certain quantities of low-quality cheese in accordance with Article 7:2 of the Protocol Regarding Certain Cheeses (DPC/C/W/34). Further details were, however, still awaited.

6. The representative of Australia replied that additional relevant information could not be provided earlier due to the commercial confidentiality involved in such transactions. His country would, however, soon provide the relevant information.

7. The EC spokesman expressed his concern with regard to sales of degraded cheese which, in the case of New Zealand, had increased to 6 per cent of the total cheese exports. Such cheese supplies were directly competing with the sales of other participants on the same markets. Under Article 7:2 of the Protocol, Australians were also obliged to notify in advance of the quantities, prices and destinations of such exports.

8. The representative of New Zealand informed the Committee that exports of low-quality cheese during 1987 were not more than in the previous years. In fact, the total for 1987 added up to only 1,050 metric tons and the forecast for the current year was even lower than last year. The figure of 10,703 tons shown in the Register of Sales (DPC/C/W/27/Rev.7) was the total for all such sales of cheese between 1983 and 1987.