CONCLUSION OF A PROTOCOL RELATING TO MILK FAT

The representatives of the principal participants in international trade in dairy products have drawn up within the framework of GATT a Protocol designed to regulate international trade in the milk fat sector.

The Protocol follows on from the Arrangement Concerning Certain Dairy Products which entered into force in 1973 in respect of skimmed milk powder and which provides for extension to other dairy products at a later date. Under the present Protocol the minimum price proposed for the reference product is $68 per 100 kgs f.o.b. The minimum price is not applicable to exports destined for aid, relief or welfare purposes in developing countries.

The Protocol is open for acceptance by Governments including the competent authorities of the European Communities and will enter into force, for those participants having accepted it, on 14 May 1973. Its provisions will be observed by certain major trading countries on a de facto basis from 9 April 1973.

Note. The Arrangement Concerning Certain Dairy Products fixed minimum export prices for skimmed milk powder, in order to restore stability to the world market for this product. The Arrangement continues to work satisfactorily, and will be entering its fourth year in May 1973. The present Protocol makes similar arrangements for milk fat (e.g. butter oil), which has a trade structure somewhat comparable to that of skimmed milk powder.