INTERNATIONAL DAIRY PRODUCTS COUNCIL

Termination of the International Dairy Arrangement

Decision Pursuant to Article VIII:4

1. The Dairy Products Council (the "Council") recalled that the International Dairy Arrangement entered into its fifth three-year period of operation on 1 January 1992, and would thus expire as of 31 December 1994 unless extended for a further three-year period. According to the provisions of Article VIII:4, such an extension would occur unless the Council, at least eighty days prior to the date of expiry, decided otherwise.

2. The Council also recalled that the new International Dairy Agreement, which was concluded on 15 April 1994, will come into force on the date of entry into force of the Agreement Establishing the World Trade Organization. According to Article VIII:1(c) of the International Dairy Agreement, a participant's acceptance of the new agreement will result in the denunciation of the International Dairy Arrangement for that participant.

3. In light of these considerations, the Council decided to extend the International Dairy Arrangement only until the date of entry into force of the Agreement Establishing the World Trade Organization and the International Dairy Agreement, and decided that the International Dairy Arrangement will terminate as of that date.