International Dairy Arrangement

COMMITTEE OF THE PROTOCOL REGARDING MILK FAT

Report to the International Dairy Products Council

1. Under Article VII:2(a) of the Arrangement and in accordance with Rule 22 of the Rules of Procedure, the Committee has prepared the present report on its tenth session.

2. The Committee held its tenth session on 21 and 22 June 1982.

3. The Committee adopted the agenda proposed in airgram GATT/AIR/1828. It also adopted the report on its ninth session.

4. The Committee reviewed the replies to the questionnaire and requested members which had not yet communicated information for the first quarter of 1982 to do so without delay. The Committee took note of the summary tables prepared by the secretariat.

5. An exchange of information and views took place in the Committee concerning the market situation for products covered by the Protocol. Among the salient points characterizing the current market situation, the Committee noted that international prices of the products covered by the Protocol seemed to have weakened somewhat, _inter alia_ because of appreciation of the United States dollar. Concern was expressed regarding the level of butter stocks which were particularly high in the United States, and the Committee took note of the indications communicated to it concerning measures that had been taken or were being envisaged for disposal of those stocks. The Committee gave particular attention to the question of trends in consumption. It was pointed out that the question of consumption of dairy products and measures taken to encourage it should be reviewed regularly; it was agreed that at their next sessions the Committees would consider modalities for pursuing such a review for which the establishment of a working party was proposed.

6. The next sessions of the Committees will be held consecutively from 27 to 29 September 1982, subject to confirmation by the secretariat. The session of the Committee of the Protocol Regarding Milk Fat will follow the session of the Committee of the Protocol Regarding Certain Cheeses.