1. In pursuance of Article VII:2(a) of the Arrangement and Rule 22 of the Rules of Procedure, the Committee adopted the present report on its twenty-eighth session.

2. The Committee held its twenty-eighth session on 15 December 1986.

3. The Committee adopted the agenda proposed in airgram GATT/AIR/2346 as well as the report on its twenty-seventh session (DPC/P/44).

4. The Committee reviewed the replies to the questionnaire and requested members which had not yet communicated information for the third quarter of 1986 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 regarding the market situation for products covered by the Protocol. Among the salient points, the Committee noted that during the fourth quarter, prices of skimmed milk powder had fluctuated between US$750 and US$800 per ton f.o.b. and that prices of whole milk powder had ranged between US$900 and US$1,050 per ton f.o.b.; the situation on the milk powder market had improved and prospects were encouraging. An exchange of views took place on the impact of the Chernobyl accident on the production and consumption of, and international trade in, milk and milk products. The secretariat was instructed to prepare, for the next series of meetings, a short note on the matter having regard in particular to its trade aspects.

6. The next sessions of the Committees will be held consecutively on 16 and 17 March 1987, subject to confirmation by the secretariat.