International Dairy Arrangement

COMMITTEE OF THE PROTOCOL REGARDING CERTAIN MILK POWDERS

Report to the International Dairy Products Council

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 thirty-second session held on 14 and 15 December 1987.

2. The Committee adopted the agenda proposed in airgram GATT/AIR/2523, as well as the report on its thirty-first session as amended (DPC/P/50).

3. The Committee reviewed the replies to the questionnaire and requested members which had not yet communicated information for the third quarter of 1987 to do so without delay. The Committee took note of the summary tables prepared by the secretariat.

4. 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$950 and US$1,250 per ton f.o.b. and that prices of whole milk powder had ranged between US$1,050 and US$1,300 per ton f.o.b. The market for skimmed milk powder had strengthened, and that for whole milk powder had remained firm. The supply situation for milk powders had been tight, resulting in further improvement in market conditions and increased prices partly due to a depreciation of the US dollar.

5. The next sessions of the Committees will be held consecutively on 21 and 22 March 1988, subject to confirmation by the secretariat.