The following communication, dated 30 November 1981, has been received from the Permanent Mission of Hungary, under the provisions of Article 3:5 of the Protocol Regarding Certain Milk Powders.

Directive
No. 14/1981/KkE 14/KKM of the Minister of Foreign Trade


By virtue of powers conferred by the provisions of Section 3 of Decree No. 36/1980./3.IX./MT on the promulgation of the International Dairy Arrangement (hereinafter: the Arrangement) - the following are decreed:

Section 1

When importing or exporting products enumerated in Annexes I-III of the Arrangement, the provisions for minimum prices contained in the Annexes should be applied by the company authorized to carry on foreign trade activity, in determining the contents of the foreign trade contract.

Section 2

The company authorized to carry on foreign trade activity will be directly informed of modifications effected in the minimum prices according to paragraph 3(a) of Article 3 of Annex I of the Arrangement.

Section 3

1. Skimmed milk powder and buttermilk powder, denatured or otherwise made unfit for human consumption, for purposes of animal feed, may be imported also at prices below the minimum price.
Section 4

1. Skimmed milk powder and buttermilk powder, not denatured or otherwise made unfit for human consumption, can be imported at prices below the minimum price for purposes of animal feed only. Skimmed milk powder imported at prices below the minimum price must be denatured or otherwise made unfit for human consumption after customs clearance, before consumption.

2. Denaturing or otherwise making unfit for human consumption can be effected by adding meat, bone, blood, fish, lucerne (alfalfa), soya or other fodder meals, or fats of animal and vegetable origin, or any other procedure which results in the forage falling under Tariff No. 23.07 of the Trade Customs Tariff.

3. Customs clearance for home use of the dutiable goods specified in paragraph 1 above can be initiated only at the customs office regionally competent according to the premises of the company which carries out denaturing, mixing, or preparation for purposes of animal feed. The person presenting the customs declaration should indicate that the purchase was effected below the minimum price, and should declare that the dutiable goods will be used for purposes of animal feed only.

4. In the case of a declaration according to paragraph 3 above, the dutiable goods will be classified by the customs office in heading No. 04.02-03 of the Trade Customs Tariff ("Powdered milk and cream, unfit for human consumption, whether or not denatured, not containing added sugar"); and in a clause inserted on the declaration form, the customs office stipulates that in accordance with the provisions of the present Directive, it is prohibited to use the goods before carrying out denaturing or otherwise making the goods unfit for human consumption.

5. Denaturing or otherwise making the dairy products specified in paragraph 1 unfit for human consumption must be reported to the regionally competent customs office not later than ten days before starting the procedure, indicating at the same time the proportion of materials to be used, the way, place and time of the procedure. On the basis of this notification, denaturing is checked by the customs office on the premises of the company.

6. If milk powder cleared at the customs with the obligation of denaturing or otherwise making it unfit for human consumption is used without fulfilling this obligation, the person concerned will be held responsible under the law on minor offences, or the criminal law, according to the specific case.

Section 5

This Directive comes into force on the day of its promulgation.