1. At its meeting on 21 and 22 June 1993, the Committee of the Protocol Regarding Milk Fat examined the situation of the international butter market, and in particular the situation with respect to countries of the former Soviet Union. It noted the extraordinary developments following the breakup of the former Soviet Union which resulted in significant price uncertainty in the market. In addition, commercial market sales to countries of the former Soviet Union have been affected by the availability of supplies of butter on concessional terms.

2. In light of the extraordinary situation that is facing the market of the former Soviet Union and the facts presented to the Committee by a number of participants, the Committee, acting in conformity with Article 7:1 of the Protocol, decided as an exceptional arrangement and without setting a precedent that:

(i) the provisions of Article 3 with respect to the minimum export prices for butter and butter oil shall not apply to exports to countries of the former Soviet Union up to a maximum quantity of 50,000 metric tons (butter equivalent) per participant for butter and butter oil exclusively for consumption in those countries;

(ii) this Decision applies to sales contracts unconditionally concluded before 31 December 1993; and

(iii) deliveries of butter and butter oil to countries of the former Soviet Union pursuant to this Decision are to be completed by 31 March 1994.

3. The Committee determined that information on butter and butter oil committed under contract to countries of the former Soviet Union in terms of this Decision should be provided to the Committee through the Secretariat within twenty days of the contractual commitment being made. This information should include quantities, country of destination and scheduled delivery periods and, on a monthly basis, the actual quantities.
delivered. Participants also agreed to provide information to other participants who request it on the price levels of these contractual commitments, as well as to notify this information upon the expiration of this Decision.

4. In the event a member has concerns that sales of butter or butter oil under this derogation are not being consumed within countries of the former Soviet Union and that they may be disrupting other normal commercial transactions, a special session shall be convened urgently to consider the situation. Unless the Committee decides otherwise, the derogation and remaining shipments contracted to the importing traders concerned would be suspended.