The following communication, dated 14 June 1991, has been received from the South African Permanent Mission with the request that it be circulated to members of the International Dairy Arrangement.

Requests for Derogations by South Africa

In conformity with Articles 7 of the Protocols, South Africa will request, during the meetings of the Protocol Committees on 17 June 1991, derogations from the provisions of Articles 3 of the Protocols until the end of February 1992, in order to remedy difficulties which observance of minimum prices are causing.

The products in question are skimmed milk powder and butter and the quantities involved are around 6,000 tons for each product.

The South African dairy sector finds itself in a very difficult situation and stocking of skimmed milk powder and butter cannot continue to take place. Neither the Dairy Service Organisation (Dairy Board) nor the Government is in a position to continue financing the stocks. In view of this, positive decisions on the granting of derogations before the close of the meetings on 17-18 June 1991, would be very much appreciated.