GENERAL AGREEMENT ON
TARIFFS AND TRADE

Arrangement Concerning Certain Dairy Products

DECISION BY THE MANAGEMENT COMMITTEE

1. The Management Committee approved the processes and control measures submitted by the Governments of Australia, Canada, New Zealand and by the European Communities and decided to record them in the Register of processes and control measures (L/3552), thus enabling Australia (L/3552/Add.5), Canada (L/3552/Add.6), New Zealand (L/3552/Add.7) and the European Communities (L/3552/Add.8) to resort to the provisions of Article III, paragraph 5 of the Arrangement.

2. Should any participant, other than those mentioned in paragraph 1 of this Decision, wish to associate itself in the disciplines established under paragraph 4 below, such participant shall submit to the Committee a request providing indications as to the processes and control measures which it intends to apply. The Management Committee, after examining the request, may approve the processes and control measures submitted by the requesting participant and decide to record them in the Register of processes and control measures, thus enabling it to resort to the provisions of Article III, paragraph 5 of the Arrangement.

3. This decision shall not prejudice in any way the existing derogations of Australia as regards Malaysia and Singapore, and of Japan and Spain.

4. Without prejudice to the rights devolving upon the participants under the provisions of the Arrangement, the Management Committee has made the Decision subject to the following conditions:

(a) The Decision shall remain in force for one year. It shall apply to exports effected within that period and, provided that such exports are in respect of contracts entered into within that period, to exports effected within six months after the expiry of this Decision. The Committee shall meet not later than thirty days before the date of expiry, in order to determine, in the light of the market situation prevailing at that time, whether, and if so under what conditions, it should be extended.
(b) The Committee shall hold two meetings during each quarterly period, in addition to its regular session, in order to examine certain information and, generally, to follow the evolution of the situation. The participants provided for in paragraphs 1 and 2 above undertake to submit to the GATT secretariat, each fortnight, the data relating to the transactions carried out in pursuance of this Decision and to indicate the conditions of sales, volumes, destinations and, to the extent possible, prices, port of export, port of import and age of skimmed milk powder shipped (month and year of manufacture).

(c) With respect to exports of skimmed milk powder dyed according to the processes set forth in L/3552/Add.5, paragraph A.7 in respect of Australia; Add.6, paragraph 6 in respect of Canada; Add.7, paragraph 6 in respect of New Zealand; and with respect to exports of skimmed milk powder in an unaltered state as set forth in L/3552/Add.5, paragraph C in respect of Australia; Add.6, paragraph 10 in respect of Canada; Add.7, paragraph 10 in respect of New Zealand; Add.8, paragraph (c) in respect of the European Communities:

(i) The competent authorities of the participants referred to in paragraph 1 above shall obtain from the competent authorities of the country of import an attestation certifying that the product imported will be subject to a control to ensure that it will be used exclusively for animal feed and will not be re-exported.

(ii) The importer attestation shall be filed with the GATT secretariat within thirty days of the contract being entered into or presented to the competent authorities of the participant.

(iii) The exporting participant shall, prior to shipment and in any case within fifteen days of entering into a contract, report to the secretariat the following details: tonnage, delivery schedule and receiving country.

(d) Any member of the Management Committee having evidence that skimmed milk powder shipped under this Decision is being or may be diverted to human food use, may request the Chairman to call an emergency meeting of the Management Committee within two working days, to consider such evidence in order to agree upon appropriate action.

(e) This Decision shall enter into force on 10 May 1976.
ANNEX I

Australian processes and control measures

Skimmed milk powder may be exported from the customs territory of Australia to third countries:

A. Either, after the competent Australian authorities have ensured that the skimmed milk powder has been denatured prior to export according to any one of the following processes:

1. By the addition, per 100 kgs. of skimmed milk powder, of 2.5 kgs. of lucerne meal or grass meal, containing not less than 70 per cent of particles not exceeding 300 microns, uniformly distributed throughout the mixture.

2. By the addition of finely milled alfalfa flour (98 per cent to pass mesh 60, equivalent to 50 United States standard), in a proportion of 2 to 4 parts per 100 and of phenolphthalein in a proportion of 1:20,000 (1 gr. per 20 kgs. of milk).

3. By the addition, in the proportion of 20 per 100 by weight of the product treated (30 per 100 by weight of milk powder and 20 per cent of the denaturing agent) of a mixture composed of 80 per cent bran and 20 per cent potato flour, rice flour or other common starch (at least 10 per cent to pass mesh 60, equivalent to 50 United States standard), with phenolphthalein in the proportion of 1:20,000.

4. By the addition of, for each 100 kgs. of skimmed milk powder, a minimum of 35 kgs. of undeodorized fish meal and 200 grs. of carbonate of iron or sulphate of iron and
(a) 1.5 kgs. of activated carbon;
(b) or 100 gers. of mixture composed of four fifths of yellow tartrazins (E 102) and one fifth of patent blue V (E 131);
(c) or 20 gers. of cochineal red A (E 124);
(d) or 40 gers. of patent blue V (E 131).

5. By the addition of, for each 100 kgs. of skimmed milk powder, a minimum of 40 kgs. of undeodorized fish meal and 300 gers. of carbonate of iron or sulphate of iron.

6. By the addition of, for each 100 kgs. of skimmed milk powder, a minimum of 4.5 kgs. of fish oil or fish liver oil and 300 gers. of carbonate of iron or sulphate of iron.
The fish meal noted in processes 4 and 5 must contain at least 25 per cent of particles with dimension below eighty microns. In processes 4, 5 and 6, the iron salts have to contain at least 30 per cent of particles of a size lower than eighty microns. The colouring matters have to contain the following percentages of the pure product:

- at least 30 per cent for cochineal red A (E 124);
- at least 25 per cent for the other colouring matters: colouring matters have to contain at least 30 per cent of particles having a size lower than eighty microns; the acidity of fish oil calculated in oleic acid has to be equal to at least 10 per cent.

The products added to skimmed milk powder, according to processes 4, 5 and 6 have to be uniformly distributed as regards in particular the activated carbon, the iron salts and the colouring matters; two samples of 50 grs. each, taken at random in a lot of 25 kgs., must give by chemical determination the same results within the limits of errors admitted by the analysis method used.

7. Dye to be added to liquid skimmed milk before drying at the rate of 2 to 3 ozs. per 100 gls. of milk (12.5 to 18.7 grs. per hls.). The dye to be one of the following colours:

<table>
<thead>
<tr>
<th>English standard index Nos.</th>
<th>Lissamine green</th>
<th>Tartrazine</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>44090, 42095, 44025</td>
<td>19.140</td>
</tr>
</tbody>
</table>

Combined with

(a) Brilliant blue F.C.F.

or

(b) Green B.S.

Cochineal

Brilliant blue/F.C.F.

8. By the addition of meat and bone meal in a proportion of 2:4 parts of skimmed milk powder.

The bags or containers in which the denatured powder is packed will be labelled "For Animal Feed Only".
B. Or, after its incorporation in compound or mixed stockfoods of a kind falling within item 23.07 of the Brussels Tariff Nomenclature.

C. Or, if in an unaltered state, upon production to the competent Australian organization, by an official organization of the country of destination of a declaration certifying that the product imported will be used exclusively for animal food purposes and will not be re-exported.

Approved by the Management Committee and recorded on 10 May 1976 subject to the terms and conditions set forth in the Committee's decision of 10 May 1976.
ANNEX II

Canadian processes and control measures

1. By the addition of finely milled alfalfa flour (98 per cent to pass mesh 60, equivalent to 50 United States standard), in a proportion of 2 to 4 parts per 100 and of phenolphtalein in a proportion of 1:20,000 (1 gr. per 20 kgs. of milk).

2. By the addition, in the proportion of 20 per 100 by weight of the product treated (80 per 100 by weight of milk powder and 20 per 100 of the denaturing agent) of a mixture composed of 80 per cent bran and 20 per cent potato flour, rice flour or other common starch (at least 10 per cent to pass mesh 60, equivalent to 50 United States standard) with phenolphtalein in the proportion of 1:20,000.

3. By the addition of, for each 100 kgs. of skimmed milk powder, a minimum of 35 kgs. of undeodorized fish meal and 200 grs. of carbonate of iron or sulphate of iron and

(a) 1.5 kgs. of activated carbon;
(b) or 100 grs. of mixture composed of four fifths of yellow tartrazine (E 102) and one fifth of patent blue V (E 131);
(c) or 20 grs. of cochineal red A (E 124);
(d) or 40 grs. of patent blue V (E 131).

4. By the addition of, for each 100 kgs. of skimmed milk powder, a minimum of 40 kgs. of undeodorized fish meal and 300 grs. of carbonate of iron or sulphate of iron.

5. By the addition of, for each 100 kgs. of skimmed milk powder, a minimum of 4.5 kgs. of fish oil or fish liver oil and 300 grs. of carbonate of iron or sulphate of iron.

The fish meal noted in processes 3 and 4 must contain at least 25 per cent of particles with dimension below 80 microns. In processes 3, 4 and 5, the iron salts have to contain at least 30 per cent of particles of a size lower than 80 microns. The colouring matters have to contain the following percentages of the pure product:

- at least 30 per cent for cochineal red A (E 124);
- at least 25 per cent for the other colouring matters: colouring matters have to contain at least 30 per cent of particles having a size lower than 80 microns; the acidity of fish oil calculated in oleic acid has to be equal to at least 10 per cent.

The products added to skimmed milk powder, according to processes 3, 4 and 5, have to be uniformly distributed as regards in particular the activated carbon, the iron salts and the colouring matters; two samples of 50 grs. each, taken at random in a lot of 25 kgs., must give by chemical determination the same results within the limits of errors admitted by the analysis method used.

6. By the addition of dye to liquid skimmed milk before drying at the rate of 2 to 3 ounces per 100 gallons of milk (12.5 to 18.7 grs. per hectolitre).

Dye to be one of the following colours:

<table>
<thead>
<tr>
<th>Colour</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Lissamine green</td>
<td>44.090, 42.095, 44.025</td>
</tr>
<tr>
<td>Tartrazine</td>
<td>19.140</td>
</tr>
<tr>
<td>Combined with</td>
<td></td>
</tr>
<tr>
<td>(i) Brilliant Blue F.C.F.</td>
<td>42.090</td>
</tr>
<tr>
<td>or</td>
<td></td>
</tr>
<tr>
<td>(ii) Green B.S.</td>
<td>44.090</td>
</tr>
<tr>
<td>Cochineal</td>
<td>77.289</td>
</tr>
<tr>
<td>Brilliant Blue/F.C.F.</td>
<td>42.090</td>
</tr>
</tbody>
</table>

7. By the addition of meat and bone meal in a proportion of 2:4 parts of skimmed milk powder.

8. By the addition, per 100 kgs. of skimmed milk powder, of 2.5 kgs. of lucerne meal or grass meal, containing not less than 70 per cent of particles not exceeding 300 microns, uniformly distributed throughout the mixture.

The bags or containers in which the denatured powder is packed will be labelled "For Animal Feed Only".
9. Incorporation of skimmed milk powder in compound or mixed stock foods of a kind falling within item 23.07 of the Brussels Tariff Nomenclature.

10. If skimmed milk powder is exported in an unaltered state, upon production to the competent Canadian organization, by an official organization of the country of destination of a declaration certifying that the product imported will be used exclusively for animal feed purposes and will not be re-exported.

Approved by the Management Committee and recorded on 10 May 1976, subject to the terms and conditions set forth in the Committee's decision of 10 May 1976.
ANNEX III

New Zealand processes and control measures

1. By the addition of finely milled alfalfa flour (98 per cent to pass mesh 60, equivalent to 50 United States standard), in a proportion of 2 to 4 parts per 100 and of phenolphthalein in a proportion of 1:20,000 (1 gr. per 20 kgs. of milk).

2. By the addition, in the proportion of 20 per 100 by weight of the product treated (30 per 100 by weight of milk powder and 20 per 100 of the denaturing agent) of a mixture composed of 80 per cent bran and 20 per cent potato flour, rice flour or other common starch (at least 10 per cent to pass mesh 60, equivalent to 50 United States standard) with phenolphthalein in the proportion of 1:20,000.

3. By the addition of, for each 100 kgs. of skimmed milk powder, a minimum of 35 kgs. of undeodorized fish meal and 200 grs. of carbonate of iron or sulphate of iron and

   (a) 1.5 kgs. of activated carbon;

   (b) or 100 grs. of mixture composed of four fifths of yellow tartrazine (E 102) and one fifth of patent blue V (E 131);

   (c) or 20 grs. of cochineal red A (E 124);

   (d) or 40 grs. of patent blue V (E 131);

   (e) or 20 grs. of edicol lime.

4. By the addition of, for each 100 kgs. of skimmed milk powder, a minimum of 40 kgs. of undeodorized fish meal and 300 grs. of carbonate of iron or sulphate of iron.

5. By the addition of, for each 100 kgs. of skimmed milk powder, a minimum of 4.5 kgs. of fish oil or fish liver oil and 300 grs. of carbonate of iron or sulphate of iron.

The fish meal noted in processes 3 and 4 must contain at least 25 per cent of particles with dimension below 80 microns. In processes 3, 4 and 5, the iron salts have to contain at least 30 per cent of particles of a size lower than 80 microns. The colouring matters have to contain the following percentages of the pure product:

- at least 30 per cent for cochineal red A (E 124);
- at least 25 per cent for the other colouring matters: colouring matters have to contain at least 30 per cent of particles having a size lower than 80 microns; the acidity of fish oil calculated in oleic acid has to be equal to at least 10 per cent.

The products added to skimmed milk powder, according to processes 3, 4 and 5, have to be uniformly distributed as regards in particular the activated carbon, the iron salts and the colouring matters; two samples of 50 grs. each, taken at random in a lot of 25 kgs., must give by chemical determination the same results within the limits of errors admitted by the analysis method used.

6. By the addition of dye to liquid skimmed milk before drying at the rate of 2 to 3 ounces per 100 gallons of milk (12.5 to 18.7 grs. per hectolitre).

Dye to be one of the following colours:

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7. By the addition of meat and bone meal in a proportion of 2:4 parts of skimmed milk powder.

8. By the addition, per 100 kgs. of skimmed milk powder, of 2.5 kgs. of lucerne meal or grass meal, containing not less than 70 per cent of particles not exceeding 300 microns, uniformly distributed throughout the mixture.

The bags or containers in which the denatured powder is packed will be labelled "For Animal Feed Only".
9. Incorporation of skimmed milk powder in compound or mixed stockfoods, of a kind falling within item 23.07 of the Brussels Tariff Nomenclature.

10. If skimmed milk powder is exported in an unaltered state, upon production to the competent New Zealand organization, by an official organization of the country of destination of a declaration certifying that the product imported will be used exclusively for animal feed purposes and will not be re-exported.

Approved by the Management Committee and recorded on 10 May 1976 subject to the terms and conditions set forth in the Committee's decision of 10 May 1976.
ANNEX V
Processes and Control Measures in Effect in the Community

Skimmed milk powder for use as animal feed may be exported to third countries:

(a) either after being denatured in the customs territory of the Community in accordance with Article 2 of Regulation (EEC) No. 990/72, as last amended by Regulation (EEC) No. 804/76:

"Skimmed milk powder shall be denatured by the addition, per 100 kgs. of skimmed milk powder, of 2.5 kgs. of lucerne meal or grass meal, containing not less than 70 per cent of particles not exceeding 300 microns, uniformly distributed throughout the mixture."

This product falls within sub-heading 04.02 A II (b) 1 of the common customs tariff;

(b) or after being incorporated in "sweetened forage; other preparations of a kind used for animal feeding", falling within sub-heading ex 2307 B of the common customs tariff, containing skimmed milk powder;

(c) or in an unaltered state, in accordance with Regulation (EEC) No. 196/76 and Regulation (EEC) No. 231/76, as last amended by Regulation (EEC) No. 500/76. Regulation 196/76 provides in particular that an official organization of the country of destination must issue an attestation certifying that the product imported will be subject to a control to ensure that it will be used exclusively for animal feed and will not be re-exported.

This product falls within sub-heading 04.02 A II (b) of the common customs tariff.

Approved by the Management Committee and recorded on 10 May subject to the terms and conditions set forth in the Committee's decision of 10 May 1976.

1 O.J. No. L 115 of 17 May 1972, page 1
2 O.J. No. L 93 of 8 April 1976, page 22
3 O.J. No. L 23 of 31 January 1976, page 40
5 O.J. No. L 59 of 6 March 1976, page 20