COMMUNICATION FROM THE DELEGATION OF SPAIN

The secretariat has received the following communication from the delegation of Spain, in connexion with paragraph 5 of Article III of the Arrangement.

I am instructed by my Government to request the Management Committee to authorize imports into Spain of skimmed milk powder intended for animal feed at prices below the minimum price provided for in the "Arrangement concerning certain dairy products".

In order that the Management Committee may approve the control systems applied by my country, I have pleasure in enclosing the following texts:

1. Circular No. 543 of 16 July 1966, establishing the procedure for denaturing milk powder;

In addition, I should mention for the Committee's information that other supplementary provisions are in existence such as the Ministry of Finance Order dated 22 September 1969, determining the responsibilities of the customs authorities with respect to chemical analysis, and Customs Circular No. 626 (Official Gazette of 17 October 1969) prescribing the modalities for chemical analysis, rules for the taking of samples and the responsibility of the various laboratories.

The Canadian delegation has supplied information concerning the control measures applied by Spain (document INT(70)62 dated 13 April 1970). That information is correct and is supplemented by the provisions mentioned above.
ANNEX 1

Circular No. 543 (General Directorate of Customs) dated 16 July 1966.
CUSTOMS REVENUE. Procedures for denaturing milk powder and consequent application of heading No. 04.02A.

Additional note No. 1 to Chapter IV of the customs tariff (R. 1960, 822, 961, 1068 and 1428, R. 1961, 1489 and R. 1962, 162 and 467) states that the General Directorate of Customs shall establish rules for the denaturing of milk and consequent application of heading 04.02A.

To this end, this office, having consulted the Public Health and Veterinary Departments has decided as follows:

The denaturing of milk shall be effected by one of the two following processes:

1. By the addition thereto 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 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 with phenolphthalein in the proportion of 1:20,000.

It shall be understood that the denaturing is to be effected at the place of origin and that accordingly the product presented to the customs shall not require any subsequent processing, and that in every case samples representative of the consignment as a whole shall be submitted to the central customs laboratory as a prerequisite for customs clearance.

In pursuance of the external health regulations (R. 1934, 1642 and compilation No. 17089) and the Animal Disease Regulations (R. 1955, 463 and 489 and Appendix 1955-51, 1856), veterinary inspectors of the Customs Administration shall be present for the customs clearance operations and shall take the samples, after making appropriate arrangements with the customs officials.

(Official Gazette No. 179, of 28 July 1966.)
With a view to precluding any improper use of denatured milk powder imported for animal feed, the General Directorate of Customs, acting on a proposal by the Public Health Department and Livestock Department, has approved a new denaturing system which enables the said product to be detected in any preparation in which it is incorporated. Nevertheless this Department considers it appropriate that its services should ensure that denatured milk is used solely for animal feed, both in order to guarantee the quality of the feed prepared therewith and also in order to avoid any unlawful competition with domestic milk production.

Consequently the following instructions are to be observed:

1. In pursuance of Circular No. 429 bis of the General Directorate of Customs and in implementation of the Animal Disease Regulations, veterinary inspectors of the customs shall be present for the customs clearance of denatured milk powder and shall take the samples, after making appropriate arrangements with customs officials.

2. The denaturing system approved by the General Directorate of Customs is by the following processes:

   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 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 with phenolphthalein in the proportion of 1:20,000.

It shall be understood that the denaturing is to be effected at the place of origin and that accordingly the product presented to the customs shall not require any subsequent processing, and that in every case samples representative of the consignment as a whole shall be submitted to the central customs laboratory as a prerequisite for customs clearance.
3. The veterinary inspectors of the customs, acting independently of the services at present concerned with the importation of this type of goods, shall take the necessary measures to obtain full information regarding distribution to the various recipients after customs clearance, including their full address and industrial activity (production of foodstuffs or additives, wholesaler, co-operative, stock-breeder etc.).

4. On the basis of the information obtained, a report shall be prepared to be submitted to this Department (Section 3(a)) in respect of each consignment received. If the information is not obtainable, this fact shall likewise be notified with an account of the difficulties encountered.

5. The veterinary inspectors of the customs shall inform the livestock authorities in the provinces of destination of all consignments of denatured milk powder released for the provinces concerned, indicating the name, address and activity of each addressee, the quantity and the date of release.

6. Within the sphere of their responsibility, the livestock authorities shall take the necessary measures to ensure that denatured milk received by factories, wholesalers and stock farms is used for the purpose for which it was imported.

7. Any case of suspected use of denatured milk powder in foodstuffs other than animal feed shall be notified to the provincial health office to this Department.

The above is communicated to you for your information and for action.

Madrid, 27 July 1966
ANNEX 3

Ministry of Agriculture, Livestock Department

Assay Section

Circular No. 13/69

INSPECTION AND CONTROL OF END-USE OF DENATURED MILK POWDER

With a view to ensuring more direct control on the end-use of denatured milk powder imported for animal food, the following instructions are to be complied with:

1. All necessary information is to be obtained from importers regarding the end-use for which imported denatured milk powder is intended, in order that the attached report can be prepared in full detail.

2. The report referred to above must be submitted to this Department (Assay Section) within three days following customs clearance.

3. In the event that the entire consignment has not yet been despatched to the addressee, a report shall be submitted every three days until such time as the consignment is fully cleared, unless the goods have been moved.

4. The existing system for taking samples and sending them for analysis to the regional agricultural laboratories shall continue in force.

The above is communicated to you for your information and for action.

To the Veterinary Inspector
Customs Office, ...
VETERINARY INSPECTION BY CUSTOMS OFFICE AT

Report on Importation and End-Use of Denatured Milk Powder

<table>
<thead>
<tr>
<th>Name or business style of importer</th>
<th>Total amount imported (kgs.)</th>
<th>ADDRESSEES</th>
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<tbody>
<tr>
<td></td>
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<td>No. of kgs.</td>
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Place: ....................  Date: ....................

Veterinary Inspector of the Customs