Arrangement Concerning Certain Dairy Products

COMMUNICATION RECEIVED FROM THE DELEGATION OF CANADA

The delegation of Canada has transmitted to the secretariat the following communication, in pursuance of the provisions of Article III, paragraph 5, of the Arrangement. In order that delegations may be provided with the necessary instructions in order to express an opinion on this request for a derogation at the next meeting of the Management Committee, the text of Canada's request is reproduced below.

Sales of skimmed milk powder at reduced prices for animal feed purposes

To facilitate the disposal of inventories of aged skimmed milk powder, the Canadian authorities have requested that the Management Committee grant a derogation from the minimum price of skimmed milk powder for export for animal feeding purposes. The Canadian authorities have requested that this item be added to the agenda of the next meeting of the Management Committee on 23 March 1976.

Canadian denaturing processes

The competent Canadian exporting authorities will undertake to ensure that skimmed milk powder exported under a derogation for animal feed purposes will be denatured according to one of the processes described below:

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 gram per 20 kilograms 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 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:

   (a) 35 kgs. of undeodorized fish meal and 200 grs. of carbonate of iron or sulphate of iron and 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 4.0 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.

The bags or containers in which the denatured powder is packed will be labelled "For Animal Feed Only".
In practice, skimmed milk powder can be exported only under authority of the Canadian Dairy Commission. The Commission will authorize the export of skimmed milk powder for animal feeding purposes at prices below the minimum, only after ensuring that it will be denatured according to one of the processes described.

Canada proposes that the processes outlined above, for denaturing skimmed milk powder, be approved and recorded in the register for the purposes of paragraph 5 of Article III of the Arrangement.

The derogation in animal feed purposes is sought for the following destinations: Algeria, Bulgaria, Czechoslovakia, German Democratic Republic, Hungary, Mexico, Poland, Portugal, Romania, Taiwan, USSR, Venezuela and Yugoslavia.

This request for derogation will form the subject of a separate item on the agenda of the meeting of the Management Committee on 23 March 1976.