Arrangement Concerning Certain Dairy Products

The Management Committee, at its meeting held on 23 April 1976, requested the secretariat to prepare, for its next meeting, a draft Decision incorporating elements for joint action. The Australian, Canadian and New Zealand denaturing processes are annexed to this draft Decision.

Draft Decision by the Management Committee

1. The Management Committee approved the processes and control measures submitted by Governments of Australia, Canada, New Zealand \( \text{and } \) and decided to record them in the Register of processes and control measures (L/3552, Addenda 5 to \( \text{and } \)). The Management Committee thus authorized Australia, Canada, New Zealand and \( \text{to resort to the provisions of Article III, paragraph 5 and, in particular, to the first sentence of this paragraph.} \)

2. Should any participant, other than those mentioned in paragraph 1 of this Decision, wish to associate itself in the disciplines established in pursuance of such joint action, 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 authorize it to resort to the provisions of Article III, paragraph 5 of the Arrangement.

3. Without prejudice the rights devolving upon the participants under the provisions of the Arrangement, the Management Committee has made this Decision subject to the following qualifications:
(a) The joint action approved by the Management Committee shall not prejudice in any way the existing derogations which have been granted to Australia as regards Malaysia and Singapore, to Japan and Spain.

(b) The Governments of Australia, Canada, New Zealand and Japan undertake to ensure that skimmed milk powder will be denatured according to one of the processes recorded in Addenda 5 to the Register (L/3552) in their respective customs territories and prior to export of the product concerned.

(c) In the event that a participant provided for in paragraphs 1 or 2 above finds it necessary that the denaturing of the product exported by it take place outside its customs territory and after export of the product, it shall present a request to the Committee giving the reasons for the request and a precise description of the processes and control measures applied by the importing country. After examination of the request, the Committee may grant the requesting country a derogation under Article VII, paragraph 5, of the Arrangement.

(d) The Decision shall remain in force for one year. 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.

(e) 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 month, 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.

(f) This Decision shall enter into force on 1.
ANNEX I

Australian Denaturing Processes

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

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

Combined with

(i) Brilliant blue F.C.F.

or

(ii) Green B.S.

Cochineal

Brilliant blue/F.C.F.

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 (80 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 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 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).
5. 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.

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 grs. 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 80 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 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 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.

The bags or containers in which the denatured powder is packed will be labelled "For Animal Feed Only".
Canadian denaturing 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 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 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.

The bags or containers in which the denatured powder is packed will be labelled "For Animal Feed Only".
New Zealand denaturing 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, 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 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.

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>
<th>English Standard Index Nos.</th>
</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 neat 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".