Arrangement Concerning Certain Dairy Products

DRAFT DECISION BY THE MANAGEMENT COMMITTEE

(Revision in the Light of Discussions on 6 May)

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 and 6), Canada L/3552/Add.7), New Zealand (L/3552/Add.8) and the European Communities (L/3552/Add.9) 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 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, 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 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.

(c) With respect to exports of skimmed milk powder in an unaltered state as set forth in L/3552, Add.6, paragraph ...
in respect of Australia; Add.... paragraph ... in respect of the European Communities ... etc.- full references to be inserted:

(i) The competent authorities of the Government of the country of import shall 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.

(ii) Skimmed milk powder shipped under the Decision shall be owned by an official agency of the exporting country until its delivery to the port or point of arrival in the country of destination (or adjacent port for land-locked countries).

(iii) The importer attestation shall be filed with the GATT secretariat within 30 days of the contract being entered into.

(iv) The exporting participant, within seven days of entering into a contract, shall report to the secretariat the following details: destination, tonnage and delivery schedule.

(v) Individual shipments made under such contracts shall be reported to the secretariat within seven days of leaving the country of origin. Following details must be given:

- date and quantity of shipment
- port of export
- port of import
- receiving country
- age of skimmed milk powder shipped (month and year of manufacture).

(vi) The exporting participant shall furnish to the secretariat, within 30 days of arrival of each shipment in the country of destination, a copy of an acknowledgement by the governmental authorities of the importing country concerned of the quantity received.

(vii) 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.

(d) This Decision shall enter into force on 6 May 1976.