GENERAL AGREEMENT ON
TARIFFS AND TRADE

Multilateral Trade Negotiations
Group "Agriculture"
Sub-Group on Dairy Products

SUMMARY OF EXPORT AND IMPORT MEASURES
ON DAIRY PRODUCTS

Note by the Secretariat
Corrigendum

As agreed by the Sub-Group, the summary of export and import measures on dairy products, prepared by the secretariat in response to the Sub-Group's request made at its first meeting (MTN/DP/1, paragraph 5) is to be revised "to take account of points emerging from the analysis, and of the information and comments which delegations were invited to submit, or which delegations had undertaken to submit, in order to complete the summary" (MTN/DP/4, paragraph 3).

The present document contains the amendments, based on information which reached the secretariat by 30 September, which should be made to the basic document MTN/DP/W/9/Rev.1 and Add.1 and 2.

Delegations are requested to communicate to the secretariat any information which will enable them to complete the tables for individual countries, together with any comments they may wish to make, so that these can be taken into account in any later revision of this summary.
In the column headed "Product", after "Cheese", add "Note 13".

Under "Import measures", in the column headed "Quantitative Restrictions", after "Discretionary Licensing" as it relates to "Butter", add "Note 14".

After the first sentence in Note 1, insert the following passage:

"The statutory object of the Dairy Commission is to provide efficient Canadian producers of milk and cream with the opportunity of obtaining a fair return for their labour and investment, and to provide consumers of dairy products with a continuous and adequate supply of dairy products of high quality. To that end, the Dairy Commission has, among other things, the power to purchase any dairy product and package, process, store, ship, insure, import, export or sell or otherwise dispose of any dairy product purchased by it." (L/4466/Add.9)

In the eighth line of Note 1, replace the word "exports" by the words "export sales".

Delete the text of Note 3 and substitute the following:

"Although the bulk of equalization payments are for skimmed milk powder, there have been occasional equalization payments for other products, e.g. butter."

At the end of Note 11, add:

"Dairy year 1977/78 (1 April 1977-31 March 1978): 50 million pounds."

At the end of Note 12, add:

"Imports and sales are governed by the relevant provisions and regulations of the following statutes:

3. Food and Drugs Act, as amended."
"These statutes and regulations pertaining thereto provide, inter alia, for:

(a) packaging and labelling specifications
(b) grade specifications and standards of composition
(c) exporter declaration for customs entry re fitness for human consumption, conformity with packaging and labelling requirements
(d) regulations regarding damage and careless handling of dairy products
(e) provisions regarding ingredient listing, durable life date, use of preservatives, misleading labelling etc."

Add the following notes:

"Note 13: see also document MTN/DP/W/22 'Import and/or export régime in respect of cheese.'

"Note 14: import permits for butter issued under the Export and Import Permits Act are granted exclusively to the Canadian Dairy Commission. Private traders are not involved in this trade. The Canadian Dairy Commission purchases butter for import into Canada in line with market needs as related to such commercial considerations as price, quality, availability, marketability and transportation. The Canadian Dairy Commission in its sales determines product mark-ups in line with price support levels established for butter in Canada." (L/4466/Add.9)
In the column headed "Product", after "Cheese", add "Note 9".

Under "Export measures", in the column "Credit, concessional and non-commercial sales", delete "concessional sales" in respect of skimmed milk powder.

Note - In the second line of the second paragraph, replace "30 September" by "25 October".

At the end of the Note, add the following paragraph:

"The following measures have since been taken with respect to skimmed milk powder: Among the regulations relating to the compulsory purchase of skimmed milk powder, EEC Commission Regulation No. 2706/76 has extended one of the elements of the system, namely, the sale of milk powder at a reduced price. Then EEC Commission Regulation No. 443/77 has introduced a system of sale at a fixed price.


At the end of paragraph (d) of Note 1, add:

"EEC Commission Regulation No. 445/77, of 2 March 1977 amended the advance fixing of refunds in respect of butter by providing for a delay of three days between the lodging of the application and the issue of the export licence."
Note 7, add:

"Denmark: sanitary regulations on food items and agricultural products (MTN/3E/DOC/9/Add.5/Corr.6)."

Note 8: in the fourth line, replace the information regarding Italian monetary measures by the following:

"Progressively reduced as from 6 May 1976 and abolished on 15 April 1977; surcharge on purchases of foreign exchange (23 October 1976-13 February 1977) (see documents L/4353, L/4354 and Addenda)."

Insert a Note 9 reading:

"Note 9: see also document MTN/DP/W/22/Add.1: Import and/or export régime in respect of cheese."
At the end of the first paragraph of the note, add:

"A marketing charge is levied on milk".

Under "Import Measures", in the column headed "Other", replace the existing text by "Note 3".

Replace the text of Note 3 by the following:

"Note 3. The import deposit of 30 per cent, established in March 1975, was reduced to 20 per cent on 1 October 1976, 10 per cent on 16 November 1976 and abolished on 31 December 1976 (document L/4165 and Add.).

"Notification has been received that imports of evaporated or condensed milk, whether sweetened or unsweetened, are subject to a turnover tax."
In the column headed "Product", after "Cheese", add "Note 6".

Under "Export Measures", in the column headed "Other", add "Note 7".

Add the following notes:

"Note 6: See also document MTN/DP/W/22/Add.2/Rev.1 "Import and/or Export Régime in respect of Cheese".

"Note 7: Dairy products have to confirm with the requirements established by Statute and Statutory Regulations. The New Zealand Dairy Industry Act 1952 requires compliance with standards for inspection and hygiene at every stage of dairy processing for the sale and exportation of all dairy produce."
Under "Import measures", in the column headed "Other", add: "Temporary import deposit 20 per cent, 2 August 1976-2 February 1977" (L/4388 and Add.).

Note 2, first line, replace the words "Minister of Agricultural Economics and Marketing" by "Minister of Agriculture" (L/4466/Add.6).
Replace the first two sentences of Note 1 by the following:

"The agricultural policy is based on a decision by Parliament in May 1967. The decision is at present being reviewed and new policy guidelines are expected to be introduced on 1 July 1978." (L/4465/Add.7)

In the twentieth line of Note 1, after "granted for the dairy sector" add:

"Since 1 January 1976 fruit yoghurt, cream and dessert cheese are no longer subject to price freeze."
In the column headed "Product", after "Cheese" add: "Note 13".

In the column headed "Technical obstacles", add: "Note 14".

In the Note on page 23, first line, replace the words "27 million quintals" by "27.5 million quintals".

At the end of the Note, add the following passage:

"A contribution is paid to producers who deliver neither milk nor milk products. A simplified individual quota system has been instituted as from 1 May 1977. In principle, this system will only operate for one year, since it is proposed to introduce a more carefully prepared individual quota system on a permanent basis as from 1 May 1978. The system is based on the allocation to each producer of a quantity of milk which he is entitled to deliver without having to pay an individual charge (the amount is currently based on the quantity delivered by the producer during the period 1 May 1975-30 April 1976, subject to a maximum number of kilogrammes per hectare of usable agricultural land). Where deliveries exceed this quantity, a charge of 30 centimes per kilogramme is levied (basic price of milk: 75 centimes per kilogramme). The yield of this charge will be deducted from the amount of the additional share of the expenses which producers have to pay when the basic quantity is exceeded. Special provision will be made for mountain farmers."

In the second line of Note 3, replace "32 centimes" by "48 centimes".

In the third and fourth lines of Note 3, delete the phrase in brackets, "35 centimes in the case of dried milk packed in airtight containers".

In the first line of Note 6 delete sub-heading "ex 14".

In the first line of Note 10, replace "Note 8" by "Note 9".

Add the following Notes:

"Note 13: See also document MTN/DF/W/22/Add.1 'Import and/or export régime in respect of cheese'"

"Note 14: Requirements under the Food Trade Regulations. These apply to both domestic and imported products."
In the fifth line of the Note, before the sentence beginning "For the calculation ...", insert the following passage:

"There are several programmes available which are used as adjuncts to the price support programme and which serve to attain an effective balance between supply and demand. These include: (a) the special milk programme designed to increase the consumption of fluid milk among children by reimbursing State agencies and private institutions for the milk served; (b) CCC purchases on a competitive bid basis of butter, cheese, and non-fat dry milk in special forms and in consumer-size packages, especially for use in various food distribution programmes, such as the programme for school lunch and institutions; and (c) the use of excess CCC stocks for various foreign programmes, including emergency aid, donations, grants, and sales under United States aid programmes such as PL-480." (L/4426)

Delete the last sentence of Note 6.
YUGOSLAVIA

Page 29

At the end of note 4, add the following:

"Special tax, increased from 5-6 per cent as from 1 January 1977, on all imports except products exempted from customs duty or subject to a low duty; customs due 1 per cent." (BOP/169, BOP/R/91, L/4474)
Addendum 1 - Page 10

Under "Import measures", in the column headed "Tariffs", replace the data relating to cheese by the following: "30-45 per cent (C)".

Page 11

Replace the first sentence of Note 3 by the following sentence:

"Cheese is subject to specific duties or to ad valorem duties bound at the ad valorem level of 30-45 per cent (see document MTN/DP/W/22/Add.4, Import and/or export review in respect of cheese)."

Page 12

At the end of Note 5, add the following:

"A temporary import surcharge of 20 per cent was applied from 8 October 1976 until 27 July 1977. This surcharge did not apply to food products subject to regulatory duties." (L/4436 and Add.)
At the end of Note 5, add the following:

"The grant of import licences has been suspended until 31 December 1977 for all dairy products, except goods originating in and imported from LAFTA member countries, where they are included in the national schedule of Brazil or in the schedules of special concessions granted exclusively to Bolivia, Ecuador, Paraguay or Uruguay, if they originated in and are imported from the beneficiary country. (CACEX Communiqué No. 574 of 20 December 1976, cancelling CACEX Communiqué No. 556)" (L/4494)