

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

DPC/1

9 April 1980

Special Distribution

International Dairy Arrangement

INTERNATIONAL DAIRY PRODUCTS COUNCIL

FIRST SESSION

Report

Chairman: H.E. Mr. Edward Farnon

1. The International Dairy Products Council, established in pursuance of Article VII:1(a) of the International Dairy Arrangement, held its first session on 4 and 5 February 1980.
2. During this session, the Council dealt with items proposed for discussion in airgram GATT/AIR/1602, the adoption of its rules of procedure and questionnaires and with the question of co-operation with other organizations.
3. The Council agreed that New Zealand would provide a Chairman and entrusted this office to H.E. Mr. Edward Farnon. Mr. Anthony Cruit (United States) was appointed as Vice-Chairman.
4. Taking into account the decision arrived at by the CONTRACTING PARTIES at their thirty-fifth session on 28 November 1979 (document L/4905), the Council examined the procedures for the participation of interested non-signatories in an observer capacity. To that end, the Council adopted Rules 10, 11, 12, 13 and 14 of its rules of procedure (see Annex), the Chairman having indicated that in his view and in that of other delegations, the wording of those rules was legally consistent with the text of the Arrangement. It was noted that in Rule 14 the term "international organizations" included the intergovernmental and non-governmental organizations referred to by Article VII:1(e)(ii) of the Arrangement.
5. In the presence of the observers invited to follow its proceedings in terms of Rules 10 and 11 of the rules of procedure, the Council then adopted the other rules in its rules of procedure.

6. It was noted in connexion with Rule 1 that communications could also be sent direct to capitals. It was agreed that the dates indicated for sessions of the Council and the Committees could be amended if circumstances so required. One participant indicated that in his view Rule 9 was superfluous because there was no need to spell out explicitly the possibility for the Council and the Committees of establishing subsidiary organs.

7. In terms of Rule 23 of the rules of procedure, the Council adopted questionnaires 1, 2, 3, 4 and 5.¹

8. The Council had before it requests made by OECD, the IFAP Standing Group on Dairy Products and "Export-Union für Milchprodukte, e.V., Bonn" with a view respectively for observer status, consultative status and co-operation with the Council. It requested the Chairman to make to each of those requests a reply consistent with Rule 14 of the rules of procedure.

9. The Council was informed that the Gentleman's Agreement on Exports of Whole Milk Powder had been abrogated on 31 January 1980 and that its Standing Committee had transmitted to the GATT secretariat part of the documentation in its possession. The documents retained by OECD could be made available upon request.

10. The representative of New Zealand made a general statement setting out his Government's expectations for the implementation of the International Dairy Arrangement.

11. The Council agreed to hold its next regular session on 27, 28 and 29 May 1980 and that the sessions of the Committees of the Protocols would take place on 21, 22 and 23 April 1980.

¹Copies of the questionnaires can be obtained from the secretariat (ext. 2128 or 2019).

A N N E X

INTERNATIONAL DAIRY ARRANGEMENT

RULES OF PROCEDURE

Rule 1

Each participant to the Arrangement shall indicate to the secretariat the name of one (or more) representative(s) at Geneva to whom communications are to be addressed. Any participant may make other arrangements for this purpose.

Rule 2

The International Dairy Products Council (hereinafter referred to as "the Council") shall elect a Chairman and a Vice-Chairman. The election shall take place at the beginning of the first regular session of the year and shall take immediate effect. The Chairman and the Vice-Chairman shall be elected for a one-year term which may be renewed once.

Rule 3

The Council shall normally meet in March and in September of each year, at a date to be determined by the Chairman in consultation with the participants. The convening notice, together with a draft agenda prepared by the secretariat in consultation with the Chairman, shall be despatched at least three weeks before the date of the session.

Rule 4

The Chairman may call a special session of the Council with less than three weeks' notice. Any request by the Committee of one of the Protocols for a special session to be convened must be made by the Chairman of that Committee.

Rule 5

Unless the Council decides otherwise, all its meetings shall be private and its records treated accordingly.

Rule 6

At any time, the Council may decide to amend the agenda or to give priority to certain matters.

Rule 7

The text of Council decisions must be adopted in the course of the session at which the said decisions are made.

Rule 8

After each session of the Council, a draft report shall be sent to the participants. Any participant wishing to make corrections to the draft shall present them to the secretariat within thirty working days following the date of distribution of the draft. If within that period the secretariat receives no corrections, the report shall be deemed to be approved. The secretariat shall communicate to the participants any corrections received by it within that period. If no further remarks are made by any participant within fifteen working days following the date of circulation of such corrections, the revised report shall be deemed to be approved. Any new amendment proposal shall be subject to the same procedure.

Rule 9

The Council and the Committees of the Protocols may establish any subsidiary organs that may be necessary.

Rule 10

Representatives of contracting parties which are not signatories may follow the proceedings of the Council and the Committees of the Protocols in an observer capacity.

Rule 11

Representatives of non-signatory countries not contracting parties, which participated in the Multilateral Trade Negotiations and which are interested in following the proceedings of the Council and the Committees of the Protocols in an observer capacity, should communicate a request to the Director-General of the GATT indicating their desire to do so. The Council shall decide on each request.

Rule 12

Observers may participate in the discussions but decisions shall be taken only by signatories.

Rule 13

The Council and the Committees of the Protocols may deliberate on confidential matters in special restricted sessions.

Rule 14

The Council may invite, as appropriate, international organizations to follow particular issues of the Council or the Committees of the Protocols in an observer capacity. In addition, requests from international organizations to follow particular issues within the Council or the Committees of the Protocols in an observer capacity shall be considered on a case-by-case basis by the Council.

Rule 15

Each Committee of the Protocols (hereinafter referred to as "the Committee") shall elect a Chairman and a Vice-Chairman. The election shall take place at the beginning of the first regular session of the year and shall take immediate effect. The Chairman and the Vice-Chairman shall be elected for a one-year term which may be renewed once.

Rule 16

Each Committee shall normally meet in March, June, September and December of each year, at a date to be determined by the Chairman in consultation with the participants. The convening notice, together with a draft agenda prepared by the secretariat in consultation with the Chairman, shall be despatched at least fifteen days before the date of the session.

Rule 17

The Chairman may call a special session of the Committee with not less than two working days' notice.

Rule 18

Unless the Committee decides otherwise, all its meetings shall be private and its records treated accordingly.

Rule 19

At any time, the Committee may decide to amend the agenda or to give priority to certain matters.

Rule 20

The text of Committee decisions must be adopted in the course of the session at which the said decisions are made.

Rule 21

After each session of the Committee, a draft report shall be prepared by the secretariat. The report shall be approved by the Committee at its next session.

Rule 22

At its second and fourth regular sessions of the year, the Committee shall adopt the report it must make to the Council under Article VII:2(a) of the Arrangement. The report may be supplemented orally at the session of the Council.

Rule 23

(a) The participants are agreed that the information to be furnished under Article III of the Arrangement will be communicated on the basis of questionnaires. These questionnaires have been adopted on a trial basis and may be revised in the light of the data provided.

Replies to these questionnaires are to be furnished as follows:

- questionnaires 1, 2 and 3 - quarterly, i.e.:

data for January-March	- 15 June at the latest
April-June	- 15 September at the latest
July-September	- 15 December at the latest
October-December	- 15 March at the latest

- questionnaire 4: annual data shall be furnished two and a half months at the latest after the end of the period concerned. Six months after these data have been furnished, information on developments therein shall be communicated.

- questionnaire 5: within four months following the entry into force of the Arrangement or, for new participants, within four months following their acceptance. Any changes in domestic policies and trade measures likely to affect international trade in dairy products shall be communicated as early as possible, and in any case in July of each year.

(b) Information not furnished within the context of these questionnaires can be exchanged between participants.

Rule 24

In accordance with the provisions of Article V:1(b) of the Arrangement, the participants agree to furnish as soon as possible information regarding their proposed contributions of food aid and likewise any proposed amendments to food aid programmes.

Rule 25

In the event that any participant has recourse to the possibility provided under Article V:3 of requesting information on the transactions defined in that paragraph, the participant concerned by such request shall furnish to the secretariat, within fifteen days, detailed information regarding those transactions.

Rule 26

In accordance with the provisions of Article 4 of the Protocol Regarding Certain Milk Powders, Article 4 of the Protocol Regarding Milk Fat, and Article 4 of the Protocol Regarding Certain Cheeses, i.e. in cases where prices in international trade of the products covered are approaching the minimum prices, participants shall notify, within not more than twenty days, all the relevant elements for evaluating their own market situation and, in particular, those listed in the said Articles.

Rule 27

Each Committee shall determine any additional information that it may need, in particular to take account of the evolution of prices in international trade in other products of the dairy sector having implications for the trade in products covered by the Protocol concerned.

Rule 28

Each Committee shall establish a summary table of the information in its possession; the table shall be distributed every three months to all the participants to the Arrangement.

Rule 29

The status report on the world market for dairy products, to be prepared by the secretariat every six months in pursuance of Article IV:1(a) of the Arrangement, shall be distributed not later than 1 March and 1 September of each year. The secretariat shall likewise draw up, and keep up to date, an inventory of all measures affecting trade in dairy products, including commitments resulting from bilateral, plurilateral and multilateral negotiations; the full text of the inventory shall be distributed to participants at the beginning of each three-year period and partially revised meanwhile to take account of any changes, as and when made.

Rule 30

The secretariat shall likewise keep up-to-date information regarding food aid and transactions other than normal commercial transactions, and shall inform the Council thereof.