

ARRANGEMENT CONCERNING CERTAIN DAIRY PRODUCTS

PART I

ARTICLE I

Product Coverage

1. This Arrangement applies to skimmed milk powder and to such other products as may be added at a later date.

PART II

SKIMMED MILK POWDER

ARTICLE II

Pilot Product

1. For the purpose of this Arrangement a minimum export price shall be established for the pilot product of the following description.

Fat and water content:	less than or equal to 1.5 per cent of fat by weight and less than or equal to 5 per cent of water by weight.
Packaging:	in packages normally used in the trade of a net content by weight of not less than 25 kgs. or 50 lb., as appropriate.
Terms of sale:	f.o.b. from the exporting country or, for a land-locked country, f.o.b. from one maritime port of its choice to be designated at the time it signifies its acceptance; or free at frontier exporting country. Prompt payment against documents.

ARTICLE III

Minimum Price

Level and observance of minimum price

1. Participants undertake to take the steps necessary to ensure that the export price of the product defined in Article II shall not be less than the minimum price applicable under the present Arrangement. If the product is exported in the form of goods in which it has been incorporated, the participants shall take the steps necessary to avoid the circumvention of the price provisions of the Arrangement.
2. The minimum price provided for in paragraph 1 of the present Article applicable at the date of entry into force of this Arrangement is fixed at US\$20 per 100 kgs.
3. The level of the minimum price specified in the present Article can be modified by the Management Committee established in terms of Article VII, during the period of validity of the present Arrangement taking into account,