

CRS 250  
RESTRICTED  
FM UKREP BRUSSELS  
TO DESKBY 101530Z F C O  
TELNO 1176  
OF 101458Z APRIL 86  
INFO ROUTINE DUBLIN, PARIS, BONN

FRAME AGRICULTURE

CHEAP BUTTER FOR RUSSIA.

SUMMARY

1. 100,000 TONNES OF OLD BUTTER ARE TO BE MADE AVAILABLE FOR EXPORT TO USSR AT A COST TO THE EXPORTER EQUIVALENT TO UNDER 10 PENCE PER 250 GRAMME PACK.

DETAIL

2. THE COMMISSION PUT TO TODAY'S MILK MANAGEMENT COMMITTEE A REGULATION FOR EXPORT OF 100,000 TONNES OF INTERVENTION BUTTER AGED 18 MONTHS OR OVER TO THE REGION COMPRISING USSR, MONGOLIA, INDIA AND PAKISTAN. THE NET PRICE TO TRADERS BUYING THE BUTTER (AFTER ALLOWING FOR THE EXPORT REFUND) WOULD BE APPROXIMATELY 320-330 ECU PER TONNE WHICH IS EQUIVALENT TO UNDER 10 PENCE PER 250 GRAMME PACK. ALL THE BIDS RECEIVED HAVE BEEN FOR EXPORT TO RUSSIA. THE TRADERS' MARGIN AND THUS THE PRICE TO BE PAID BY THE RUSSIANS ARE NOT KNOWN.

3. 80,000 TONNES OF THE BUTTER ARE UNSALTED AND ARE TO COME FROM GERMAN STOCKS. THE REST IS SALTED, 11,000 TONNES COMING FROM THE U.K AND 9,000 TONNES FROM IRELAND, THE BID IN BOTH THESE CASES COMING FROM THE IRISH DAIRY BOARD.

4. IN THE VOTE, ALL DELEGATIONS WERE IN FAVOUR APART FROM ITALY (WHO VOTED AGAINST) AND THE U.K AND NETHERLANDS (WHO ABSTAINED).

HANNAY

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ADVANCE:  
HARRISON FCO  
GORDON FCO  
MCADAM CAB  
CARLAW DTI  
HADLEY MAFF  
COCKING MAFF  
CRUICKSHANK MAFF  
KUYK MAFF  
BUTT TSY  
MAIN:  
FRAME AGRICULTURE

ECDC