INTERNATIONAL DAIRY ARRANGEMENT

THE WORLD MARKET FOR DAIRY PRODUCTS

as at 1 October 1984

Geneva, 31 October 1984

General Agreement on Tariffs and Trade
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Introduction

The International Dairy Arrangement, which has been in force since 1 January 1980, has as its objectives to achieve the expansion and ever greater liberalization of world trade in dairy products under market conditions as stable as possible, on the basis of mutual benefit to exporting and importing countries, and to further the economic and social development of developing countries. To this end, the Arrangement makes provision for a comprehensive information and co-operation mechanism applicable to the dairy sector as a whole. It is accompanied by three Protocols containing specific provisions, in particular fixing minimum export prices, in respect of certain milk powders, milk fat (including butter) and certain cheeses.

There are to date eighteen participants to this Arrangement: Argentina, Australia, Austria, Bulgaria, Egypt, European Economic Community, Finland, Hungary, Japan, New Zealand, Norway, Poland, Romania, South Africa, Sweden, Switzerland, United States and Uruguay. Representatives of other countries follow its work with observer status.

The International Dairy Products Council established within the framework of the General Agreement on Tariffs and Trade has, among other tasks, to make an evaluation of the situation in and outlook for the world market for dairy products on the basis of a status report prepared by the secretariat. The Council decided that this report would be issued each year and updated as appropriate.

These reports are prepared by the secretariat under its own responsibility. They are based mainly on information and documentation furnished by participants to the Arrangement. Three reports have been issued since 1980.

This fifth report covers the situation in the market for milk and the principal milk products in the year 1983 and the first six months of 1984 and contains estimates for the second half of 1984 and the year 1984 as a whole. To the extent permitted by the data available, it reports on production, trade, consumption, stocks and prices of the various products.

LEVELS OF MINIMUM EXPORT PRICES IN FORCE AS FROM 1 OCTOBER 1981

Pilot products	US$/metric ton
Skimmed milk powder	600
Whole milk powder	950
Buttermilk powder	600
Anhydrous milk fat	1,440
Butter	1,200
Certain cheeses	1,000

These minimum f.o.b. export prices, which must not be considered as market prices, are fixed for pilot products defined in the Arrangement taking account, in particular, of the current market situation, dairy prices in producing participants, the need to ensure equitable prices to consumers, and the desirability of maintaining a minimum return to the most efficient producers in order to ensure stability of supply over the longer term.

Contents

Summary of the Situation

General

(a) In 1983, world production and international trade increased, after having decreased in 1982. World production rose by 3 per cent, mainly owing to the rise in output of manufactures (+4 per cent), whereas agricultural and mineral production remained stagnant. It was in the United States and Japan that the increase was greatest, western Europe showing only limited growth. In the industrial countries, inflation slowed down considerably and unemployment rose only slightly. After two years of stagnation and regression, the volume of world trade increased by 2 per cent in 1983. While the volume of trade the previous year was about the same as in 1980, its composition was different. Trade in minerals decreased for the fourth consecutive year, owing to the continuing decline in petroleum exports. On the other hand, exports of agricultural products and manufactures continued to increase, by 1 per cent and 4 per cent respectively. Agricultural exports rose by about 1 per cent, mainly owing to the increase in imports by the eastern countries and non-oil-producing developing countries. Dollar unit values of trade fell by nearly 4 per cent in 1983, as in 1982, owing primarily to further appreciation of the United States dollar and a decline in fuel prices. This more than offset the increase in volume, causing the value of world trade to fall by 2 per cent, to about $1,810 billion.

(b) More than eighteen months after the most protracted post-war recession bottomed out, the recovery of the world economy remains highly differentiated internationally. The most striking feature of the current recovery has been the weak response of the world economy to the vigorous boom in the United States. In view of the present forecasts for growth of the GNP of the principal countries, it seems probable that the growth of world trade in 1984 will be in the range of 5 to 7 per cent in dollar value as compared with 1983. It appears that the recovery has improved economic prospects, but only to a certain extent. Unemployment remains a major concern in Western Europe and throughout the developing world. Without detracting from the gains recorded, it should be emphasized that the two fundamental economic problems of the early 1980s - the need for an orderly resolution of the debt crisis and a return to sustained non-inflationary growth in the world economy - are still awaiting a lasting solution.

Production

(a) Forecasts currently indicate that world milk production could stabilize in 1984. It should be noted, however, that to redress the existing serious imbalance in world dairy markets, much more than a mere stabilization of milk production is required. Indeed, updated information now indicates that production increased by 4 per cent in 1983 attaining, of course, a new record level. The braking of the upward trend in 1984 can be attributed mainly to the production restraint programmes recently inaugurated in the EEC and in the United States, two of the world's biggest

producers. In other circumstances the decreases which are expected to result from these programmes might be expected to have had a much greater impact on world production. However those decreases are being matched by continuing increases in production in the USSR and in several Southern Hemisphere countries consequent to the cessation of drought conditions. While the decreases in production in 1984 originating from production restraint in the EC, the United States and several other countries may be accentuated by the higher costs of feed and feed concentrates (and possibly by dry weather in certain areas) it is doubtful whether any significant correction of market imbalance will be evident in 1984.

(b) Beyond 1984 there are a number of conflicting factors which make it difficult to assess possible trends. On the one hand it is expected that the EC dairy programme will result in a considerably sharper decrease in production in 1985. Secondly there has been or will be a significant decrease in dairy cow numbers in several countries. On the other hand the United States' milk diversion programme is scheduled to end in March 1985 and if no new measures are introduced there is a risk that production could begin to increase again. At the same time current indications seem to suggest lower prices for feed and feed concentrates on world markets which would stimulate production in a number of countries. Finally, assuming a continuation of "normal" weather conditions there seems to be no reason to anticipate a significant reversal of production trends in the USSR, certain countries of the Southern hemisphere, or in certain countries such as India.

(c) World production of skimmed milk powder and butter increased in 1983 at a faster rate, whereas world production of cheese increased more slowly than in 1982. According to estimates, world production of skimmed milk powder, butter and cheese increased in 1983 by 9.7, 8.5 and 2.5 per cent respectively, whereas in 1982, world production of these products increased by 7.0, 5.0 and 2.8 per cent respectively. World production of skimmed milk powder and butter is expected to continue to increase in 1984, though at a distinctly slower pace, the rates of growth being estimated at about 2.0 per cent. Production of cheese may be expected to increase in 1984 at the same (or perhaps a faster) rate as in the preceding year. In 1983, the main increases in production took place in the EEC countries and the United States. In the USSR, the rise in milk production brought about an increase in the production of butter, but also in that of skimmed milk powder and cheese. In New Zealand, production of skimmed milk powder and cheese declined, whereas total production of butter and anhydrous milk fat showed an increase. In Canada, production of skimmed milk powder declined.

Trade

(a) International trade in dairy products declined in 1983 for the second consecutive year. It appears to have amounted only to some twenty-two to twenty-three million tons of milk equivalent, as against 24.5 million tons in 1982 and 27 million tons in 1981. Food-aid shipments rose to more than

3 million tons in 1983. Exports from the EEC declined for the third consecutive year. Nevertheless, with exports estimated at some 10 to 11 million tons of milk equivalent, the EEC remained the world's biggest exporter of dairy products. Exports from Oceania and North America rose slightly, the increase in United States shipments being largely due to sales on concessional terms. It should be noted that the level of stocks and the problems caused by their disposal are having a disquietening effect on the world market situation.

(b) On the import side, purchases by the USSR, the largest importer of dairy products, are believed to have increased in 1983 notwithstanding rising domestic production. Among major exporters, Japan reduced its purchasers in line with larger domestic supplies. Imports of developing countries fell from 17 million tons in 1982 to an estimated 16 tons of milk equivalent in 1983, with the petroleum exporting countries accounting for about half of the total imports of developing countries.

(c) Assuming continued economic recovery, the outlook for 1984 is for some improvement in overall demand for milk and dairy products. However, world import demand is unlikely to grow significantly and it seems evident that, despite the measures taken or planned, available supply will again be greater than real demand in 1984. According to some reports, import demand from developing countries can be expected to recover progressively. Their purchases of whole milk powder and cheese seem to have already increased this year. In addition, the USSR will no doubt remain a major outlet, for butter in particular. Nevertheless, great uncertainty continues to surround the international market for dairy products. Along with the uncertainties about the development of import demand by the USSR and the Eastern European countries, there are the unfavourable effects of the drop in earnings of the oil-producing countries. The very large stocks of dairy products and the problem of their disposal are a further factor of uncertainty for international trade. A considerable proportion of international transactions take place on special terms.

Consumption

(a) Although it is not possible to make any precise determination of the overall development of liquid milk consumption, certain trends can nevertheless be noted. This consumption, even including fresh products, is increasing more slowly than production and is even levelling off in a number of major producing countries, thus increasing the quantity of milk available for industrial processing. This trend is accentuated by consumer preference for low fat milk.

(b) World consumption of skimmed milk powder seems to have expanded in 1983 more rapidly than in 1982. After declining slightly in 1982, world consumption of butter appears to have recovered in 1983 and may continue to increase in 1984. World consumption of cheese is believed to have continued to increase in 1983, though at a slower rate than in previous years, which may be maintained in 1984. Demand for milk and dairy products

continued to rise quickly in certain countries in East Asia, thanks to economic growth. In the Near East also, consumption again increased, though much more slowly than before the world economic recession, which also contributed to a fall in demand for milk and dairy products in many parts of Africa and Latin America. In North America and Western Europe, total consumption increased, but this was mainly because of larger subsidized sales or entirely free distribution of surplus products, rather than improved demand. Consumption of milk and dairy products in the EEC, which had been increasing at an annual rate of about 0.5 per cent until 1982, then showed a tendency to stagnation. The rate of increase of cheese consumption is slowing down. However, skimmed milk powder utilization will probably expand in response to aid measures for animal feed, and butter consumption may recover. In the United States, commercial consumption of milk and dairy products declined by about 1 per cent in 1983, but total consumption increased (by about 0.3 per cent) as a result of large donations under programmes for the needy. These programmes are continuing in 1984, and an increase in retail sales is expected. Commercial consumption can thus be expected to be greater in 1984 (by 3.0 to 3.5 per cent) than in the preceding year. The expected increase would be the result of a lower support price for milk, the improving economy and the national dairy product promotion programme.

(c) There are a great many measures designed to maintain consumption of dairy products. In Western Europe skimmed milk powder and liquid skimmed milk are used mainly for animal feed, and their use is subsidized on a large scale. In the EEC for example a great many measures are applied to promote the consumption of skimmed milk powder and new measures have been taken for this purpose. Consumption of butter and cheese, in particular, are supported in several countries or groups of countries by advertising campaigns, welfare distribution programmes, sales at reduced prices aimed at disposing of surplus stocks and, in the case of butter, making the product competitive with vegetable fats. In the EEC, butter production still exceeds direct consumption requirements and many measures have been taken to promote consumption; new measures are also planned for this purpose. In the United States, several dairy products distribution programmes have been adopted with a view to disposing of surplus stocks. In some countries, the price relationship between vegetable fats and butter fat is maintained by taxing the former. The prices of vegetable fats are, in fact, distinctly lower in most instances. While an increase in margarine consumption is often accompanied by a decline in the consumption of butter, trends in butter consumption nevertheless appear to depend also on factors other than price: consumer preferences, in particular, and dietetic considerations play a part. It should also be noted that in some countries consumption appears to have declined over the whole fats sector.

Stocks

(a) At the end of 1983, world stocks of skimmed milk powder, butter and cheese were very greatly in excess of their levels one year earlier. Weak demand and increased production caused another large increase in dairy product stocks, especially in the EEC and the United States. According to

some reports, total stocks of dairy products in the developed market-economy countries were at approximately twenty-five million tons of milk equivalent at the end of 1983 and actually exceeded the level of world exports of dairy products in that year. It is expected that by the end of 1984 stocks of skimmed milk powder and butter will be greater than at the beginning of the year, whereas stocks of cheese may be smaller.

(b) Total stocks of skimmed milk powder held by the EEC, North America and Oceania, which stood at approximately 1,725,000 tons on 1 July 1984, were about 3.9 per cent greater than one year earlier. Stocks of butter held by the EEC, North America and Oceania on 1 July 1984 amounted to about 1,518,000 tons, or 52 per cent more than on 1 July 1983. It should also be noted that the market situation for Cheddar cheese is characterized by high stocks in some countries. The level of stocks of dairy products is causing keen concern. Public stocks of skimmed milk powder held by the EEC had increased to 956,000 tons on 1 July 1984, as against 888,000 tons on 1 July 1983, and 396,000 tons on 1 July 1982. Subsequently, they increased slightly to 965,800 tons on 13 September 1984. Public and private stocks of butter increased very substantially to 1,146,000 tons on 1 July 1984, as against 648,000 tons on 1 July 1983. They then continued to increase reaching about 1,253,000 tons on 13 September 1984, in spite of the efforts made to stimulate consumption, in particular by sales at reduced prices. It should be noted, nevertheless, that at 13 September 1984 public stocks were slightly down in relation to the situation on 30 August 1984. This decline is expected to continue in the coming months, inter alia, as a result of declining output. Stocks of Cheddar cheese are now at high levels. In July 1984, the EEC announced a series of additional measures to facilitate the disposal of dairy products, including butter, which relate to both exports and the domestic market. In the United States, growth in the output of dairy products and slower progress in the commercial utilization led the Government to buy increasing amounts of dairy products in 1983. In 1984, government purchases declined, in particular because of increased commercial sales and lower milk production. Thus, thanks to the measures taken to reduce milk production, to an increase in consumption and to increased exports, particularly as food aid, it is hoped that by the end of 1984 stocks will be below their level at the beginning of the year. On 1 July 1984, stocks of skimmed milk powder had reached 645,000 tons, or a slight increase of 1.4 per cent compared with 1 July 1983. At the same date, total stocks of butter had declined to 234,000 tons, as against 267,000 tons on 1 July 1983. Total stocks of cheese were 584,000 tons on 1 July 1984, as compared with 542,000 tons one year earlier.

International prices

(a) The table and graphs below show the trend of international prices of milk powders, butter, anhydrous milk fat and cheddar cheese since 1981. Since 1 October 1981, the minimum prices[1] have remained fixed at the

[1] See table on page 2

following levels (f.o.b. prices per metric ton): skimmed milk powder and buttermilk powder: US$600; whole milk powder: US$950; butter: US$1,200; anhydrous milk fat: US$1,440; certain cheeses: US$1,000.

(b) In 1983, the downward trend of international prices of dairy products continued, even accelerating in the case of certain products, and there was keen competition on the prices of all dairy products. This is attributable to pressure from increasing stocks, monetary fluctuations and the consequences of the general economic situation. Prices continued to weaken during the first three months of 1984, but seem to have tended to stablize during the second quarter, at a level slightly above the minimum prices. In the third quarter, prices of the principal dairy products declined, with the exception of prices of Cheddar cheese which remained relatively stable. Concern is being felt over the market situation, and in particular the trend in prices of butter, anhydrous milk fat and whole milk powder. As regards short-term prospects, the trend in milk output, the disposal of surplus stocks and exchange-rate fluctuations will be the main factors likely to cause a shift in prices. Surplus offer in relation to commercial outlets and the level of stocks will continue to make their influence felt and competition among exporters will remain strong.

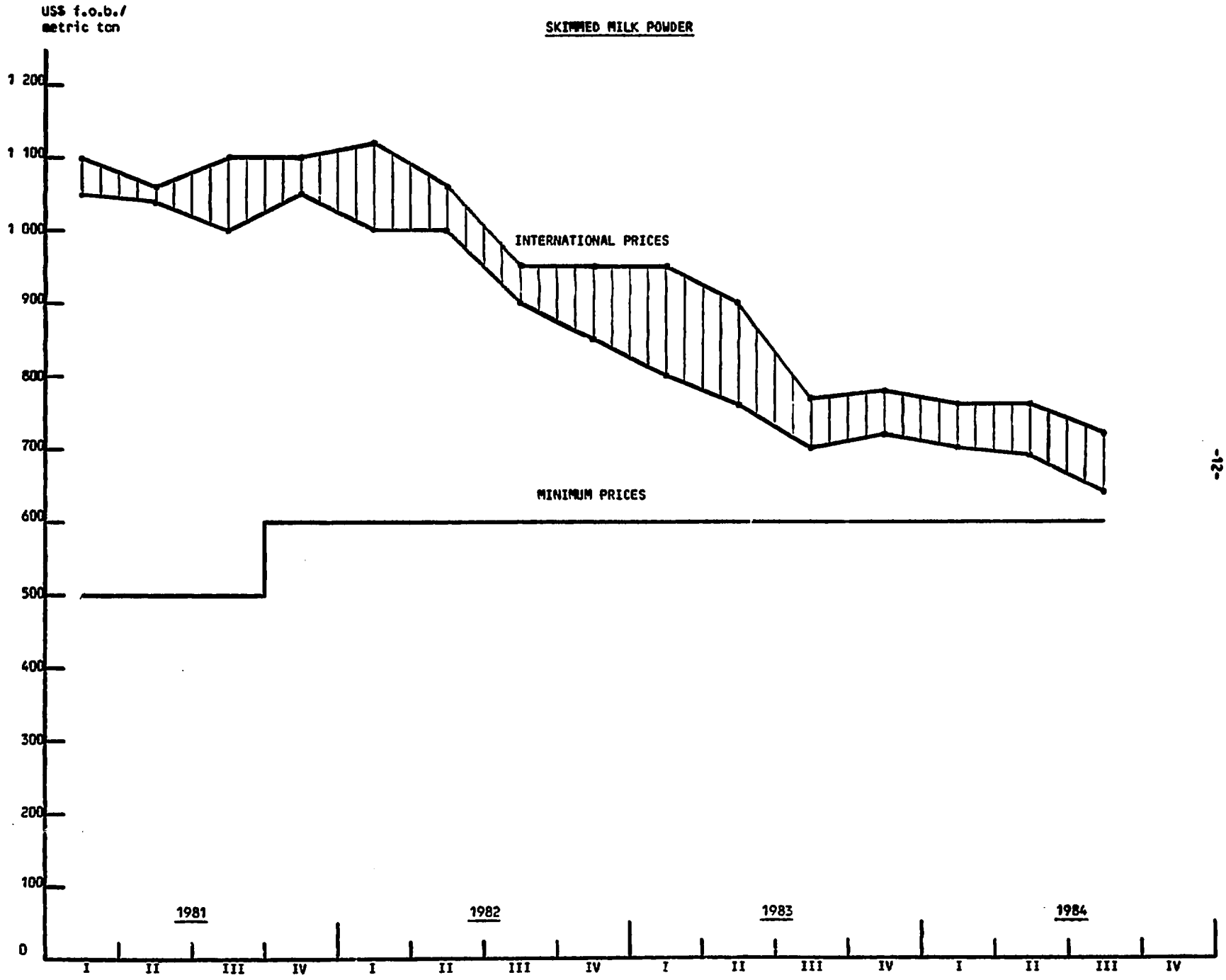
Note: This report concerns the world market situation for dairy products as at 1 October 1984. Nevertheless, it is appropriate to mention that on 16 October the Commission of the European Communities notified the Committee of the Protocol Regarding Milk Fat of its intention to make the necessary arrangements to export to specified destinations certain quantities of butter from Community public stocks at a price which, because of the age of the product, would have to be lower than the minimum price currently in force under the Arrangement. This operation is within the framework of a general programme of action to reduce the Community's butter stocks. The programme also provides for the sale of butter at reduced prices ("Christmas butter") for direct consumption in the Community. Two special meetings have been held within the framework of the International Dairy Arrangement and consultations are taking place.

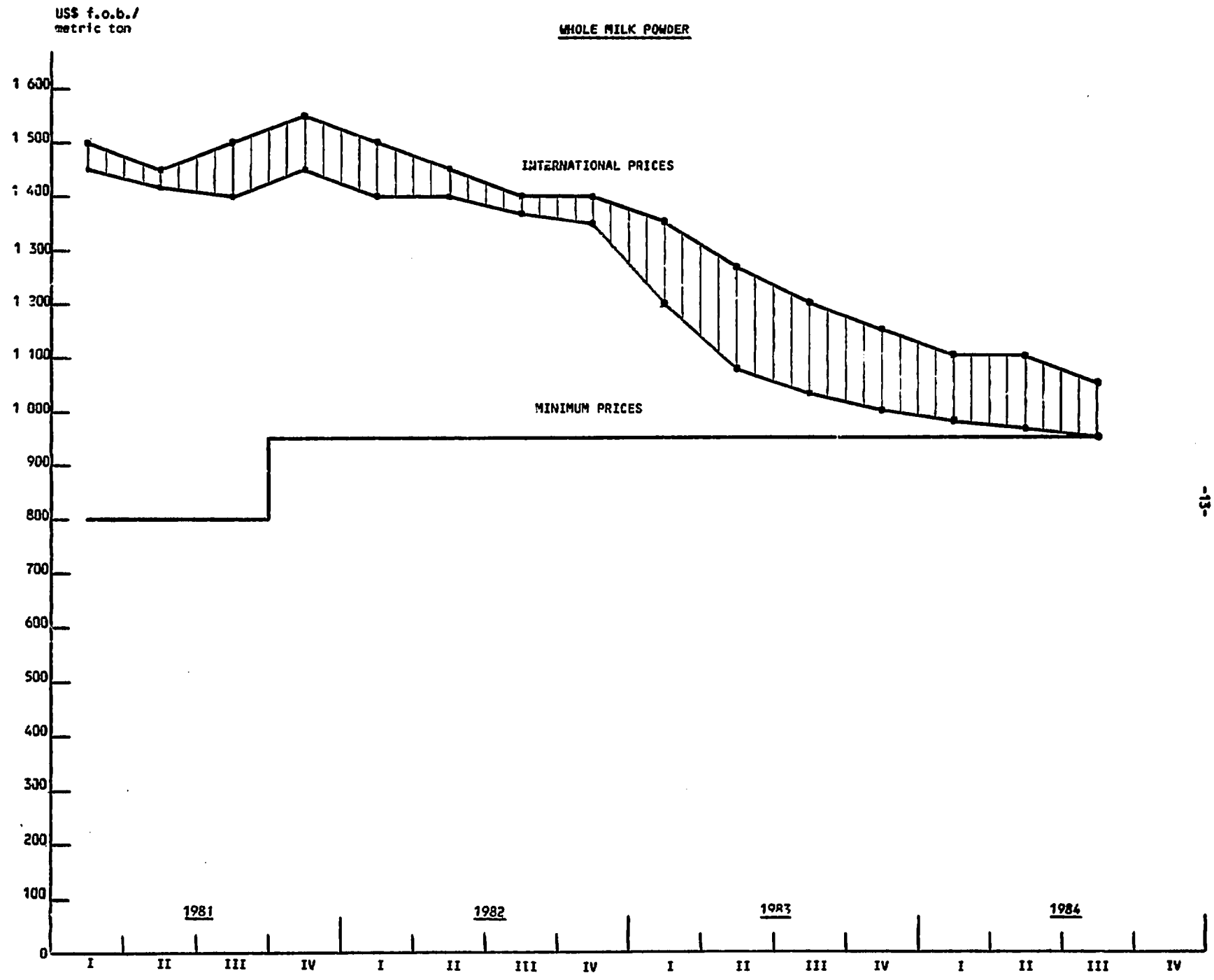
International Prices (1981-1982-1983-1984)

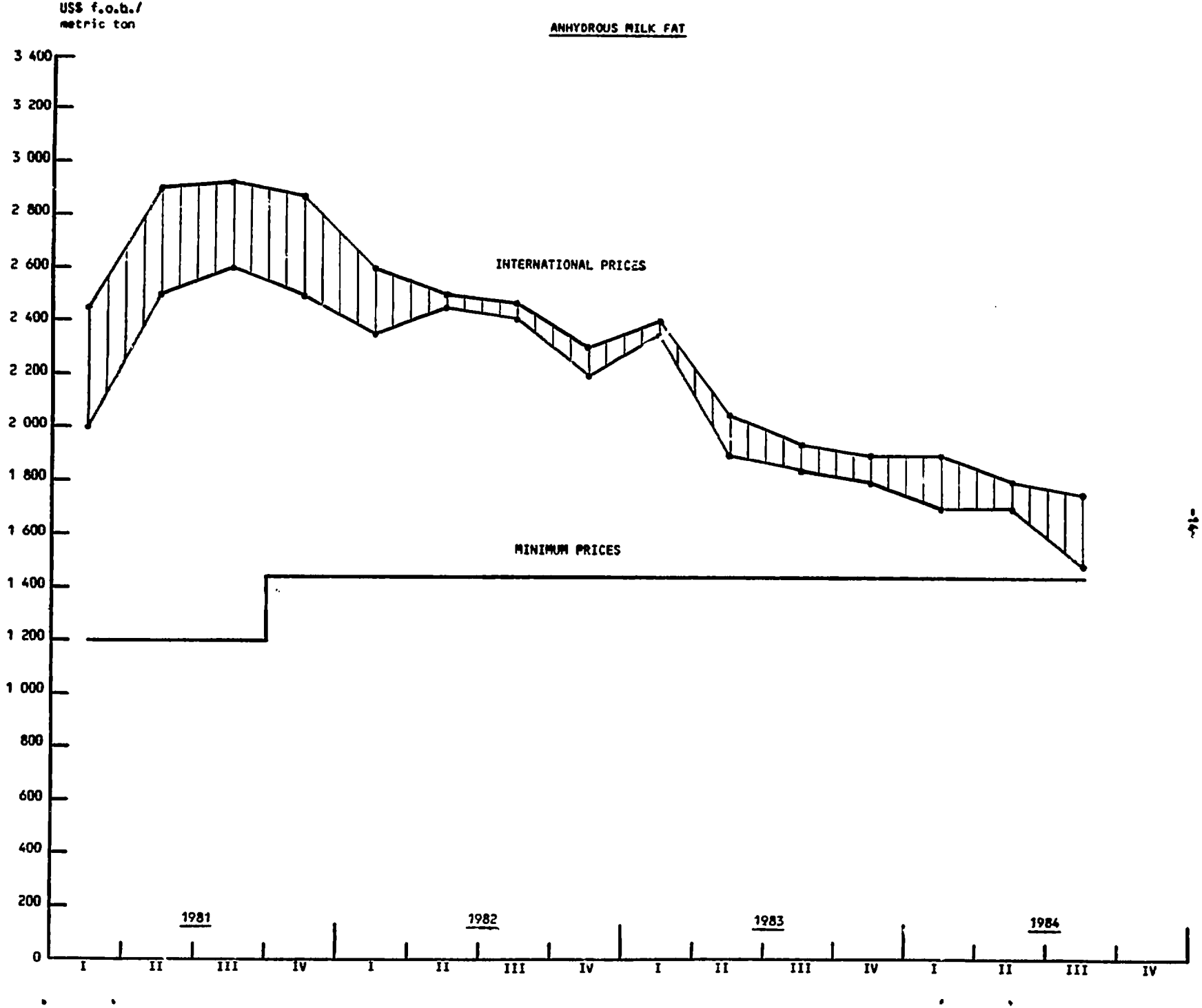
(US$ per metric ton f.o.b.)

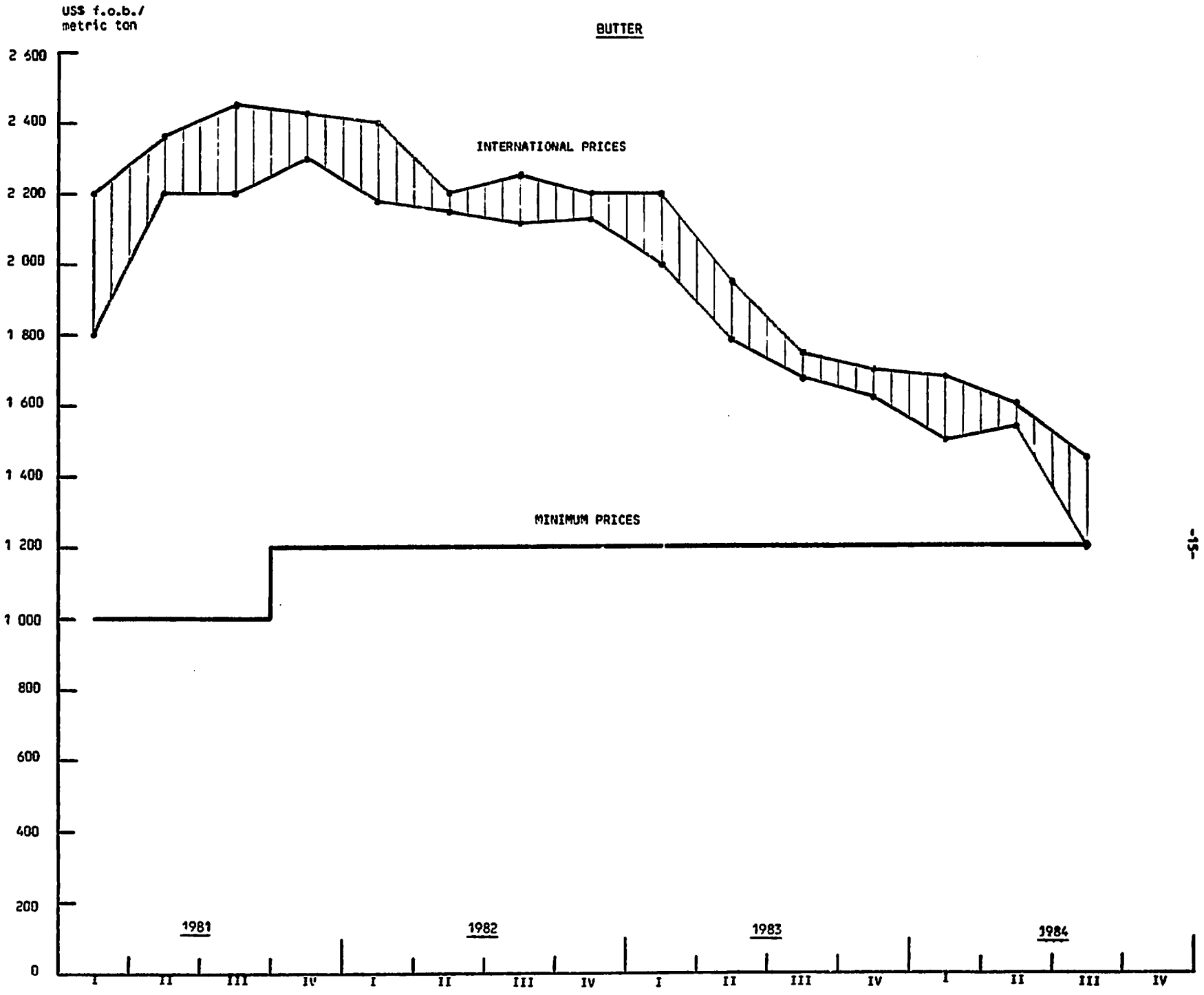
Product	1981		1982		1983				1984		
	January-March	July-September	January-March	July-September	January-March	April-June	July-September	October-December	January-March	April-June	July-September
Skimmed milk powder	1 050-1 100	1 000-1 100	1 000-1 120	900-950	800-950	760-900	700-770	720-780 3/	700-760 4/	690-760 4/	640-720 7/
Whole milk powder	1 450-1 500	1 400-1 500	1 400-1 500	1 370-1 400	1 200-1 350	1 080-1 300	1 030-1 200	1 000-1 150 3/	980-1 100	970-1 100	950-1 050
Anhydrous milk fat	2 000-2 450	2 600-2 920	2 350-2 600	2 410-2 475	2 350-2 400	1 900-2 050	1 850-1 940	1 800-1 900	1 700-1 900	1 700-1 800 5/	1 480-1 750 8/
Butter	1 800-2 200	2 200-2 450	2 180-2 400	2 125-2 250	2 000-2 200	1 785-1 950	1 680-1 750 1/	1 620-1 700	1 500-1 680 5/	1 540-1 600 6/	1 200-1 450 9/
Cheddar cheese	1 500-1 600	1 740	1 750-1 850	1 650-1 750	1 550-1 650	1 250-1 450	1 300-1 500 2/	1 200-1 500	1 200-1 350	1 150-1 300	1 150-1 250

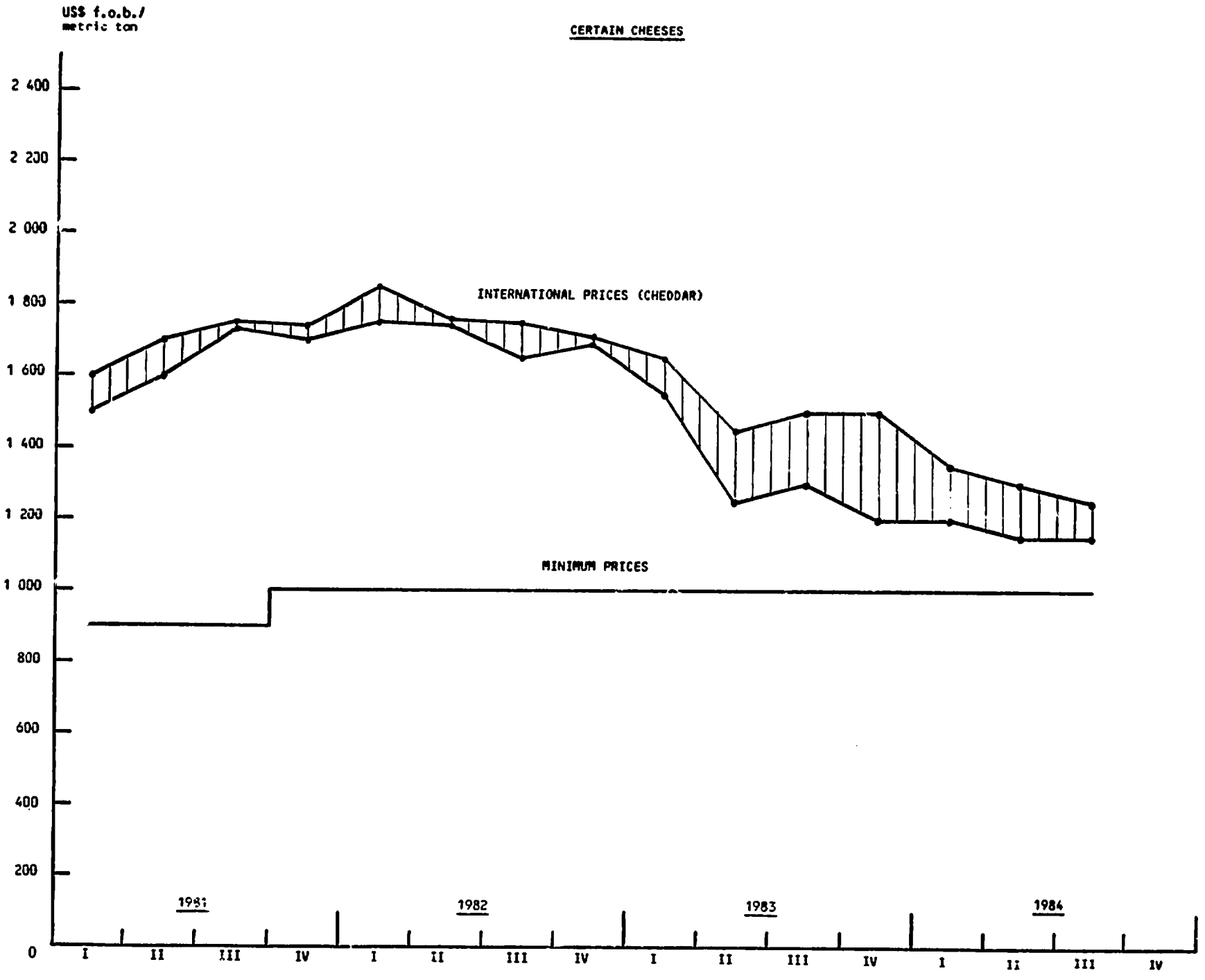
1/ Certain sales seem to have been at prices in a bracket between US$2,500 and US$2,700 per ton f.o.b.
2/ Certain sales seem to have been at considerably lower prices.
3/ Certain sales seem to have been at lower prices.
4/ Sales for animal feed were made at lower prices.
5/ Some offers were made at lower prices.
6/ Offers and sales were made at lower prices.
7/ The prices at the bottom of the bracket are those of skimmed milk powder for animal feed.
8/ Prices of butteroil are believed to have been between US$1 550 and US$1 750 per ton f.o.b. Special sales of ghee by the EEC can be at between US$1 480 and US$1 490 per ton f.o.b.
9/ Sales of butter seem in general to be at prices in the vicinity of US$1 400 to US$1 450 per ton f.o.b. Special sales of intervention butter by the EEC can be at lower prices, but not below US$1 270 per ton f.o.b. In addition, prices close or even equivalent to the minimum price are believed to have been quoted for bulk butter, in particular salted butter.


US$ f.o.b./
metric ton
SKIMMED MILK POWDER
1 200
1 100
1 000
900
800
700
600
500
400
300
200
100
0
INTERNATIONAL PRICES
MINIMUM PRICES
1981
1982
1983
1984
I
II
III
IV


US$ f.o.b./
metric ton
WHOLE MILK POWDER
1 600
1 500
1 400
1 300
1 200
1 100
1 000
900
800
700
600
500
400
300
200
100
0
INTERNATIONAL PRICES
MINIMUM PRICES
1981
1982
1983
1984
I
II
III
IV


US$ f.o.b./
metric ton
ANHYDROUS MILK FAT
3 400
3 200
3 000
2 800
2 600
2 400
2 200
2 000
1 800
1 600
1 400
1 200
1 000
800
600
400
200
0
INTERNATIONAL PRICES
MINIMUM PRICES
1981
1982
1983
1984
I
II
III
IV


US$ f.o.b./
metric ton
BUTTER
2 600
2 400
2 200
2 000
1 800
1 600
1 400
1 200
1 000
800
600
400
200
0
INTERNATIONAL PRICES
MINIMUM PRICES
1981
1982
1983
1984
I
II
III
IV


US$ f.o.b./
metric ton
CERTAIN CHEESES
2 400
2 200
2 000
1 800
1 600
1 400
1 200
1 000
800
600
400
200
0
INTERNATIONAL PRICES (CHEDDAR)
MINIMUM PRICES
1981
1982
1983
1984
I
II
III
IV

Milk

Production

1. The rate of growth of world production of cow's milk accelerated in 1983 and production may have totalled 456.8 million tonnes, almost 4 per cent more than year-earlier. It might be noted that goat, sheep and buffalo milk production is estimated to have totalled 45.2 million tonnes, 2.3 per cent more than year-earlier. Increased production was virtually a world-wide phenomenon; however, it is worth noting that production in the four regions which account for roughly two-thirds of world production (the EC, the United States, the USSR, and Oceania) increased, in total, at a rate faster than the world average (4.3 per cent). The 4 per cent rate of growth of world production in 1983 contrasts with a 2 per cent growth in 1982, and with a 0.5 per cent growth in 1981. The accelerated growth was due principally to the return of benign weather conditions in a number of areas previously afflicted with drought (notably the USSR and Australia). Elsewhere favorable producer prices combined, at least during the first half of the year, with low feedstuff prices stimulated production. Most notable in this respect were the EC and the United States.

Cow's milk production in certain major producing countries/areas

	Estimated 1983	Change from year-earlier	Forecast 1984	Change from year-earlier
	(million tonnes)	(%)	(million tonnes)	(%)
EEC-10	112.8	+3.8	111.0	-1.6
United States	63.5	+3.1	61.6	-3.0
USSR	96.4	+6.0	100.0	+3.7
Australia	5.9	+7.8	6.1	+2.8
New Zealand	6.9	-1.2	7.6	+9.7
TOTAL	285.5	+4.3	286.3	+0.3
% of world production	62.5			

2. For 1984, it seems that world milk production will again increase although at a much slower rate than in 1983. In fact, if weather conditions are less favorable than they were in 1983 in certain regions production could perhaps stabilize. Based on present indications, production in the EC, the United States, the USSR and Oceania may, in total, increase by about 0.3 per cent. It would seem that production increases in the USSR and Oceania may more than offset decreases in the EC and in the United States. The projected decreases in the EC and the United States are expected principally as a result of the production restraint programmes which each has undertaken. It is also expected that the higher feeding costs in existence from mid-1983 to mid-1984 restrained production. Elsewhere in the world there is expected to be conflicting trends. Production in non-EC Western Europe, for example, could stagnate or decrease modestly, while that in the Far East (Japan, China, India) is expected to continue to increase.

Rates of Change of Milk Production, Milk Yield and Dairy Cow Numbers in Six Major Milk-Producing Countries

		Milk Production	Milk Yield	Dairy Cow Numbers	
EEC	1983	+3.8	+2.4	+2.5	(December of
	1984[1]	-1.6	-3.0	+1.5	previous year)
United States	1983	+3.1	+2.6	+0.5	(July)
	1984[1]	-3.0	-0.6	-2.4	
New Zealand	1983	-1.2	-0.1	+1.1	(June)
	1984[1]	+9.7	+8.7	+1.0	
Australia[2]	1983	+7.8	+8.8	-1.0	(March)
	1984[1]	+2.8			
Japan	1983	+4.3	+3.7	+0.5	(February)
	1984[1]				
Soviet Union	1983	+6.0	+6.0	0.0	(January)
	1984[1]	+3.7	+3.7	0.0	

[1] Forecast

[2] As measured by deliveries

3. It is believed that the measures adopted by the European Economic Community at the beginning of the 1984/85 campaign to deal with the problem of surplus milk production will result in a 1.6 per cent decrease in production in 1984 (and a 2.1 per cent decrease in milk deliveries to dairies) and a further 3.7 per cent production decrease in 1985 (with a 2.5 per cent decrease in deliveries). These decreases would follow a 3.8 per cent increase in production in 1983, to a record level of 112,791,000 tonnes, due to a 1.6 per cent increase in cow numbers and a 2.4 per cent increase in productivity. In essence the EC has adopted a programme by which milk deliveries will be restrained to a "reference" level in each of the next five years by way of a levy on milk deliveries over that level. The reference level has been established at the level of milk deliveries in 1981, plus 1.0 per cent, that is to say 98,363,000 tonnes. For the 1984/85 campaign, however, a supplemental amount has been added to the reference level such that it totals 99,235,000 tonnes. This increased amount is intended to facilitate the transition to the restraint level. In addition to the restraints fixed on deliveries under the programme there has also been a "reference" level fixed for sales directly to consumers; a quantity totalling 4,200,000 tonnes. In terms of administration the global reference level is shared out amongst member states. Member states have a choice as to how they, in turn, allocate their reference quantities. The allocation could be to individual producers (formula A) or to dairies (formula B). Milk deliveries over and above the established "quota" levels will be levied at a rate of 75 per cent under formula A and at 100 per cent under formula B. With regard to other measures it should be noted that the target price for milk for the 1984/85 marketing year is unchanged in terms of ECU at 274.3 ECU per tonne (3.7 per cent butterfat). In terms of national currencies, however (taking into account the effect of green rate changes since the last price fixing) this means an average increase of 3.0 per cent relative to year-earlier. A further measure was the increase of the co-responsibility levy for the 1984/85 campaign from 2 per cent of the target price for milk to 3 per cent. It is generally believed that the decreases in production which these measures will provoke will result both from decreased productivity per cow (by virtue of less intensive utilization of feed concentrates) and by a reduction in cow numbers. With regard to this latter point the EC dairy herd is projected to decrease by 1.9 per cent in 1984 and by 2.1 per cent in 1985. Additionally the intervention prices for butter and skimmed milk powder were changed as a result of a change in the fat protein ratio, which is now 50:50 as opposed to 55:45 previously, and in the technical yield of butter. The butter intervention price decreased by 10.6 per cent to 3,197 ECU per tonne while the skimmed milk powder price increased by 10.9 per cent to 1,658.8 ECU per tonne.

4. It is also expected that milk production in Finland will decrease in 1984. Currently a decrease of 0.8 per cent is forecast (to 2,920 million litres). This would follow a 3.0 per cent increase in production in 1983. The number of dairy cows has been decreasing since 1981 and are projected to continue decreasing until at least 1985. At 15 December 1983 dairy cow

numbers totalled 649,500 head, 4 per cent less than year-earlier. A two-price scheme for milk will be adopted in Finland as from the beginning of 1985. Provisionally the system will be valid for one year but may be continued. The plan envisages the establishment of annual production quotas per producer on the basis of the annual production in either of the years 1 September 1981-31 October 1982 or 1 September 1982-31 October 1983, whichever is higher. However, in any event, any producer can produce at least 30,000 litres annually. Additionally, no producer will have his quota affected by his participation in governmental programmes to reduce milk production which have existed since 1980. Also producers may apply for larger quotas if they have invested in dairy production since 1 January 1979. As regards prices producers will receive the whole support price for "in quota" milk while "surplus" milk will receive approximately the world price or, in other words, about FIM 1.60 per litre less than the support price. As regards existing programmes it should be noted that, in 1984, no licences to produce milk were granted (producers with herds exceeding 8 cows require a licence). In 1985 producers possessing up to 30 cows will be granted licences provided they produce at least two-thirds of their own fodder. In addition the voluntary production reduction system has been extended. Any producer who reduces his production by 15 per cent or by 5,000 litres gets 0.90 FM per litre of reduced production. At 1 September 1984, the milk support price was fixed at FIM 221.60 per 100 litres. From March 1984, deficiency payments were fixed at FIM 25.00 per 100 litres on production up to 30,000 litres and were reduced to FIM 13.10 per 100 litres for the next 170,000 litres.

5. The reduction of milk production in Norway in 1983 (to 1,956,000 tonnes, down 1.4 per cent) is believed to be at least partly due to the measures taken during 1982-83 to reduce production (it might be noted that dairy cow number decreased by 1 per cent in 1983). The two-price system for milk introduced in 1983 is believed to have been particularly important. Under this scheme the price received by farmers for milk produced in excess of this quota (which is established on the basis of a three-year average of his deliveries) is well below the average return for "in-quota" milk. In 1983 the average return for "in-quota" milk was 231 øre per litre while over-quota milk was 100 øre per litre. It might also be noted that for 1984 the "over-quota" price for milk was set at 60 øre per litre. For 1985, the two-price system will undergo modifications to the extent that producers' quotas would be fixed taking into account historical production plus a consideration of how much forage farmers produce on their own farms. On 1 July 1983 the quantity limited support price for milk was fixed at 138 øre per litre for deliveries up to 20,000 litres. For the subsequent 10,000 litres the price remained at 63 øre per litre. It might also be noted that, since 1982, a premium of NOK 700 has been paid for the slaughter of baby calves. For the first four months of 1984 production decreased by 1.5 per cent.

6. In contrast, milk deliveries in Sweden increased by 1.4 per cent during the first six months of 1984 following a 1.6 per cent increase in production in 1983 (to 3,714,000 tonnes). For 1984 as a whole,

deliveries are expected to increase by about 2 per cent. Dairy cow numbers have been relatively stable since 1981 and are expected to remain so for the next two years. It might be noted that these increases have occurred despite the fact that measures were introduced in 1983 to deal with over-production of milk. Since 1 January 1983 subsidies to "aged dairy farmers" are no longer paid and "non-production grants" are being paid to farmers aged 60-65 years. In addition the slaughter of heifers has been subsidized and there have been limitations placed on State credit for farm investment. As from 1 January 1984, the "middle" or target prices for butter, cheese and skim milk powder were set at, respectively, SEK 15.42 per kg, 21.41 per kg and 10.91 per kg. Additionally special support is granted to small farmers and to farmers in Northern Sweden.

7. Milk production in Austria totalled 3,670,000 tonnes in 1983, 2.2 per cent more than in 1982. Preliminary evidence suggests, however, that deliveries decreased by 2.0 per cent during the first five months of 1984. Dairy cow numbers in December 1983 were 2.4 per cent higher than year-earlier. On 1 January 1984 the producer price for milk was fixed at AS 4.66 per kg. for milk of first quality with a fat content of 3.8 per cent. Levies are assessed on production to be used for sales promotion. The levy is a two-tiered one: a "base" levy per kg. for "in-quota" milk and an additional levy for "over-quota" milk.

8. In Switzerland, milk production totalled 3,770,000 tonnes in 1983, an increase of 2.3 per cent. For the first five months of 1984 it is estimated that production decreased, however, this was in part due to the fact that many producers risked exceeding their delivery quotas for the dairy year ended April. In fact for the months of June-August production increased by 6 per cent. This sharp increase can be attributed to a 0.5 per cent increase in dairy cow numbers and to favourable weather conditions. As from 1 July 1984, the base price for milk was increased by 1 centime to 92 centimes per kg. At the same time, however, the premiums for the non-marketing of milk were increased. These premiums, which were introduced in 1970 to ease pressure on the milk market and to support the income of producers in mountain areas, ranged in 1983 from 1,350-1,250 SF per cow for the first 2 to 10 cows to 400 SF per cow over 100 cows. An increase in dairy cow slaughter is expected toward the end of 1984 with a consequent decrease in milk production.

9. The measures (the Milk Diversion Programme) taken in the United States to reduce dairy output are expected to contribute to a 3.0 per cent decrease in milk output during 1984 from the record level of 63.5 million tonnes in 1983. Indeed the projected decrease is expected to originate primarily from reduced marketing by participants in the diversion scheme. It should be recalled that the programme, which replaces all previously existing measures, became law on 29 November 1983, contains three provisions: a reduction in support prices, the imposition of mandatory deductions, and the introduction of a paid milk-diversion programme. As regards support prices, the minimum price was fixed at $227.78 per tonne, basis 3.7 per cent butterfat (down from $288.80 previously), with the

provision that it could be reduced by $11.02 per tonne on 1 April 1985 if CCC net purchase (in milk equivalent terms) are projected to exceed 6 billion pounds (2,721,582 tonnes) for the subsequent 12 months. Moreover, prices could be reduced by a further $11.02 per tonne at 1 July 1985 if net purchases in the subsequent 12 months were expected to exceed 5 billion pounds (2,267,985 tonnes). If purchases at that time are projected to be less than 5 billion pounds the support price may be increased. With respect to the mandatory deductions the legislation provides for a deduction of $11.02 per tonne as from 1 December to help finance the diversion scheme and one of $3.31 per tonne for dairy product promotion, research and education (a $2.20 per tonne credit is permitted for qualifying state or regional promotional programmes). With respect to the paid diversion, producers have entered into contracts in which they undertake to reduce their production by from 5 to 30 per cent relative to either the average of production in 1981-82 or of production in 1982 during the 15 month life of the programme (as from 1 December 1983). Producers are being paid $220.46 per tonne for reduced production. Although about 38,000 dairy producers are participating in this programme (i.e. about 20 per cent of all dairy producers is the United States) and have agreed to reduce their marketings by 4.25 million tonnes, the results are viewed as being disappointing: it had been hoped that production could have been reduced by about 10 per cent. Amongst the reasons being offered for the lower than expected level of participation are firstly, the fact that the cost for producers to increase production after the end of the programme would be too high (particularly the cost of buying cows) and, secondly, the cost of reducing production would be too high if production had been increased since the base period. In addition to the effects of the dairy diversion programme it is believed that higher feeding costs and lower milk prices have had and are having an influence on milk output. The ratio of milk price to feed costs in the United States was 1.32 in April 1984, its lowest level since June of 1977. Since April milk prices have increased but by August the average price was still below year-earlier levels. Although prices may rise above year-earlier levels later in 1984 they are expected to average below year-earlier levels in 1985. Between November 1983 and April 1984 the dairy cow herd decreased by 314,000 head, a decrease of 2.8 per cent. On average during 1984 cow numbers are expected to be 3-4 per cent less than year-earlier. Net removals of dairy products from the market by the Commodity Credit Corporation are forecast to total 3.80 million tonnes (milk equivalent) in 1984, compared to 7.6 million tonnes in 1983 (a decrease of 49 per cent). During January-August of 1984 net removals decreased by 44 per cent relative to year-earlier.

10. Milk production in New Zealand reached a record level of about 7,670,000 tonnes in the year ended 31 May 1984, 11.4 per cent more than year-earlier. The magnitude of the increase is in large part attributed to the existence of favorable weather conditions throughout the summer and autumn. Part of the increase, however, must also be attributed to the uptrend in dairy cow number which has been occurring since 1981. It is estimated that cow number again increased at June 1984, although by less

than 2 per cent. However milk fat production is expected to fall by about 5 per cent for the 1984/85 production year (ended 31 March), given the expectation of a return to normal pasture conditions for the season. For the 1983/84 season the basic price for milk fat was set at $NZ2.40 per kg. and that for solids non-fat at $NZ1.00 per kg. giving a combined basic price of $NZ3.40 per kg. milk fat equivalent. The total end of season payment for the 1983-84 season amounted to $NZ3.50 per kg. compared to $NZ3.60 in the 1982-83 season. The reduction was a direct reflection of the decrease in international prices experienced in 1983-84. For the 1984-85 season commencing 1 June 1984 the basic price for milk fat has been set at $NZ2.50 per kg., and that for solids non-fat at $NZ1.05 per kg., giving a combined basic price of $NZ3.55 per kg. milk fat equivalent. It should be noted that the supplementary minimum price scheme for dairy products was terminated with effect from 31 May 1984. In any event, no payments were made under the scheme in 1983-84.

11. The trend towards increasing milk production in Australia evident since 1980-81 seems to be continuing. The increased production has resulted entirely from increased yields per cow since dairy cow numbers have decreased substantially. For the 1983/84 year production totalled 6,087,000 tons, 7.2 per cent more than year-earlier. This increase follows a 4.8 per cent increase in 1982/1983. Production for the calendar year 1984 is forecast to total 6,050,000 tons, 3.0 per cent more than year-earlier. Production for the dairy year 1984/85 is forecast to increase by 1.0 per cent to about 6,166,000 tons. The support, or "underwriting", prices for the five principal dairy products in 1984/85 are as follows: butter A$1,885 per tonne; casein A$2,126 per tonne; whole milk powder A$1,228 per tonne; certain cheeses A$1,721 per tonne; skim-milk powder A$846 per tonne. All prices are lower than those of the previous year except for those of certain cheeses.

12. Milk production in Japan totalled 7,036,000 tonnes in 1983, 4.3 per cent more than in 1982. The increase was attributable largely to higher production per cow due to excellent weather conditions and consequent abundance of feed supplies. However, dairy cow numbers also seem to be continuing to increase. In February 1983 they totalled 1,469,000 head, 0.5 per cent more than year-earlier. For fiscal year 1984 (beginning 1 April) the guaranteed producer price for milk for processing (the price of milk for drinking being unsupported) was fixed at ¥ 90.07 per kg, unchanged from year-earlier. It should also be noted that the deficiency payment for milk for fiscal year 1984 is ¥ 20.89 per kg, 4 per cent less than year-earlier. This results from, on the one hand, the freezing of the guaranteed price and, on the other, the increase in the producer's sale price of milk (to ¥ 69.18 per kg). Additionally the stabilization "indicative" prices for the four major commodities for which prices are supported (butter, skimmed milk powder, sugar condensed whole milk, and sugar condensed skimmed milk) remained at the same levels as in 1983/84. This latter fact was largely because the prices of these commodities had been decreasing. At the same time, however, the maximum quantity of production eligible for deficiency payment was increased by 3.25 per cent to 2,220,000 tonnes.

13. It appears that milk production in South Africa will decrease in 1984 relative to year-earlier in the face of, inter alia, lower supplemental feed availability and higher costs. The decrease would follow several years of increased production. Production totalled 1,814,300 tonnes in 1983, 1 per cent more than in 1982. The average return to producers for industrial milk in 1983 was R 29.69 per 100 kg, 24 per cent more than year-earlier. This price is a combination of the guaranteed price of R 26.48 per 100 kg (basis 3.8 per cent butterfat) and the premiums paid for butterfat in excess of 3.8 per cent.

14. Trends in milk production in major milk producing countries in Latin America have been relatively diverse. In 1983 production in Argentina (as measured by utilization) decreased by 1.3 per cent to 5,644,000 tonnes. (During the first quarter of 1984 production decreased by 15 per cent to 1,274,000 tons.) On the other hand, production in Brazil is estimated to have increased by 5.9 per cent to 10,700,000 tonnes and that in Uruguay by 21 per cent to 522,000 tonnes (production during the first six months of 1984 totalled 247,760 tons).

15. Milk production in Canada decreased by about 4.5 per cent in 1983 (to 7,444,150 tonnes) and indications are that it will remain at about the same level in 1984. The production decrease in Canada largely reflects the measures taken by the federal government to reduce production of industrial milk, the production of which is subject to federal control. The national quota for industrial milk was fixed at 47.6 million hectolitres for the 1983/84 production year (August/July). (Production, however, totalled 48.2 million hectolitres, with the excess of 600,000 hectolitres being subject to the over-quota penalty.) As of 1 August 1984 the national quota was fixed at the level of 47.6 million hectolitres. The "target return" for industrial milk and cream was raised by 2.7 per cent at 1 August 1983 but at the same time, the levy on milk produced "over quota" was increased by 6.9 per cent, to CDN$31.79 per hectolitre. However, the support prices for butter and skimmed milk powder were raised by CDN$0.13 per kg (to $4.55 per kg) and by CDN$0.07 per kg (to $2.77 per kg) respectively. On 1 February 1984 the support price for butter was decreased by $0.30 per kg. It should be noted that since 1 April 1982 industrial milk has been subject to the federal government price restraint programme. Under the programme price increases for goods and services provided by the government or produced by industries subject to governmental regulation (such as industrial milk) were confined to 6 per cent in 1982, 5 per cent in 1983 and are restrained to 4 per cent in 1984.

16. In Poland milk production has recovered sharply from the depressed levels of 1981/82. Production totalled about 10.6 billion litres in 1983, about 3 per cent more than year-earlier and is expected to total about 11 billion litres in 1984, which would be a further increase of 3 per cent. The increases are largely attributed to increased yields per cow as a result of more favorable weather conditions. Cow numbers are also believed to have decreased by about 0.5 per cent in June 1984. Poland is pursuing a policy aimed at restoring the balance between supply and demand for milk. Dairy output is supported, inter alia, by price subsidies for milk products. The subsidies producers receive depend on the costs of production and marketing borne by producers.

17. It is believed that production in Hungary was relatively stationary in 1983 at about 2,776,000 tonnes (roughly 2.7 billion litres). Although production per cow is increasing, cow numbers are decreasing. Dairy cow numbers totalled 735,000 head at 1 January 1984, 2 per cent less than year-earlier. The guaranteed prices paid to producers for milk are not only differentiated in terms of quality but also by size of producer. Thus while the prices of first and second class milk from 1 January to 30 April 1984 for "large" producers were Ft 7.25 and Ft 7.15 per litre, respectively, they were Ft 7.15 and Ft 6.95 respectively, for "small" producers. In addition premiums or discounts from these prices are exacted for butterfat content above or below, respectively, 3.6 per cent at a rate of Ft 110 per kg. For the period 1 May 1984 to 30 November, all producer prices were reduced. The average reduction was about Ft 0.60 per litre. It might be noted that special aids are accorded to "small" producers.

18. Elsewhere in Eastern Europe milk production was also favorably influenced by improved weather conditions in 1983. In Bulgaria production increased by about 5.7 per cent to 2,143,000 tonnes, while in Romania indications are that it increased by 6.5 per cent to 3,300,000 tonnes. Previously production in Romania had been declining consequent to severe drought conditions.

19. It is estimated that cow's milk production in Spain in 1983 totalled about 6,050 million litres, roughly 1.7 per cent more than in 1982. It is believed that production per cow recovered from the drought induced low level of 1982 when it averaged 2,888 litres, 9 per cent less than in 1981. Dairy cow numbers at March 1983 were well (5 per cent) below year-earlier, representing an end to a three-year uptrend in dairy-cow numbers. Preliminary estimates suggest that milk production in Portugal decreased in 1983 by about 5 per cent to approximately 789,000 tonnes, but is expected to increase again in 1984 and 1985.

20. At 96.4 million tonnes milk production in the USSR was 6 per cent higher than year-earlier in 1983. Virtually the totality of this increase was due to increased milk yield per cow by virtue of the improved pasture conditions and feed supplies (milk yield increased by 7 per cent). The upward trend of production continued in early 1984, during the first 2 months production was up by 8 per cent. Production is expected to total about 100 million tons in 1984, 3.7 per cent more than in 1983.

21. It is estimated that cow's milk production in both India and China increased again in 1983. Production in India may have increased by as much as 3 per cent to 14.2 million tonnes and that in China by 6 per cent to 6.55 million tonnes. Assuming that favorable weather conditions continue, further production increases in 1984 seem likely.

22. It is estimated that cow's milk production in Egypt totalled about 650,000 tonnes in 1983, unchanged from year-earlier. Buffalo milk production, however, is estimated to have increased by about 4 per cent to 1.3 million tonnes. Sheep and goat milk production is negligible.

Consumption

23. Although the data regarding human consumption of liquid milk lacks some precision for some countries (owing to the fact that such data is often inseparable from that for consumption of other fresh products) it is clear that, globally, consumption of liquid "whole" or "standard" milk is decreasing. In many countries consumption has been decreasing for some time. There appears to be a strong relationship in many countries between liquid milk consumption and average income level. In general, it appears that in higher income countries where milk consumption has been at relatively high levels for some time consumption is now decreasing as income rises. Amongst the factors contributing to the negative relationship between whole milk demand and income the following, inter alia, have been cited: health concerns as regards the fat content, ageing populations and the introduction of numerous beverage substitutes. Japan seems to represent a special case as regards high income countries. Consumption of liquid milk is continuing to increase, but the pace of the increase is slowing down. It should be noted that in Japan per capita consumption was relatively low. In lower income countries there still appears to be a positive relationship between demand for whole milk and income. In some countries where milk consumption has increased, or has been relatively stable, a principal cause has been the existence of retail price subsidization or welfare programmes; Austria is an example of such a situation. In others, producer or governmental organizations actively promote milk consumption.

24. The following countries have exhibited decreasing consumption of whole milk (the percentage decline 1983/82 is presented in brackets): United States (- 2.8), Canada (- 3.7, as measured by sales), New Zealand (projected 1984 consumption 6 per cent less than in 1980), Switzerland (-0.5), Norway (-2.5), Finland (-3.8, including milk of both 3% and 4% fat content) Sweden (-0.5, excluding "K" milk). Consumption also appears to have decreased in the EC. Increased consumption was recorded in the following countries in 1983: Japan (+ 1.3), Austria (+0.1), Bulgaria (+5.9, including yoghurt consumption), South Africa (+0.2), Argentina (+0.9), Uruguay (+13.2).

25. Growth in sales and consumption of low fat milk continues in a number of countries. Indeed growth in consumption of low fat milk has been sufficient in a number of countries to outweigh the decrease experiences in whole milk consumption. The growth seem to be mainly associated with health concerns. Sales of low fat milk in the United States grew by about 2 per cent in 1983, while sales in Canada were expected to grow by about 3 per cent in the 1983/84 marketing year. In Finland skim milk consumption increased by 2.2 per cent. On the other hand, consumption even of low fat milk in Sweden decreased.

26. Farm use of whole milk appears to have decreased in recent years in a number of countries. However, this is a trend which has been reversed in a number of countries owing to the installation or tightening of milk production or delivery restraints. It could be expected that this tendency will become more widespread as production restraint becomes more generalized.

Fresh Milk Products[1]

27. According to the data available to the secretariat, consumption of fresh milk products, which appears to have recovered to some extent in 1982 after the slackening recorded the previous year, continued to increase in 1983. At the time of drafting this report, however, lack of information concerning some of the countries or the group of countries which are the main consumers of fresh milk products (EEC, United States) makes it impossible to establish any definite trend.

28. In the EEC, output of fresh products in 1982, according to revised data, amounted to 27,278,000 tons, an increase of about 1 per cent compared with 1981. Consumption declined by 0.9 per cent, to 27,062,000 and exports fell by 2.5 per cent to 197,000 tons. At the present time, consumption of fresh products in the EEC is already high and despite campaigns launched in order to boost it, no very significant results can be expected.

29. Output of fresh products in Sweden continued to increase in 1983, though less steadily than in 1982. Although output of cream decreased by about 1.5 per cent compared with the previous year, to 65,000 tons, all other fresh products showed increases: output of whey rose from 1,121,000 tons in 1982 to 1,165,000 tons in 1983; output of fermented milks increased by 2.9 per cent to 214,000 tons and output of buttermilk was 92,000 tons, an increase of 2.2 per cent. In Norway, output of low-fat products continued to increase in 1983, reaching 118,000 tons, an increase of 6.4 per cent compared with 1982. Production of curdled milk, képhir and yoghurt also continued to increase, reaching 42,200 tons, an increase of 1.9 per cent, whereas production of acidified and fermented milk showed a decrease of about 6.6 per cent, to 18,300 tons. Cream production remained stable at 23,900 tons. In 1983, production in Finland of partly skimmed low-fat milk was 471,000 tons, a decrease of 5.4 per cent compared with 1982. Output of products based on acidified milk also declined, to 303,000 tons, a fall of 5 per cent. Output of cream increased by 3.6 per cent to 29,000 tons. In Switzerland, output of acidified milk, which consists almost entirely of yoghurt, has increased constantly for several years; it rose again in 1983 by 2.9 per cent, to reach 107,000 tons. Exports of yoghurt remained at the same level as in 1982, i.e. 10,000 tons. Cream production also continues to increase; it reached 41,000 tons in 1983, an increase of 2.5 per cent compared with the previous year. In Austria, production of yoghurt and chocolate-flavoured milk in 1982 declined by 0.5 per cent as compared with 1981, to 64,300 tons, whereas cream production remained relatively stable at 27,100 tons.

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[1] As a general rule, the figures for total consumption of fresh products are identical with those for production. In the few countries or the group of countries where these figures differ, the data are indicated separately.

30. Hungary's production of acidified milk continued to rise in 1982 to reach 21,400 tons, up by about 0.5 per cent, representing a slackening of the growth rate, which had reached 7 per cent in 1981. Sour cream production fell back by about 1 per cent to 60,900 tons, while cream output increased by 11 per cent in 1982, reaching 8,100 tons. The same trend could be seen in the output of whey, which increased from 478,400 tons in 1981, to 502,200 tons in 1982, an increase of 5 per cent.

31. In Japan, output of flavoured milk, which had declined by 1.2 per cent in 1982, recovered in 1983 to reach 634,000 tons, an increase of 7.1 per cent. Output of fermented milk and acidified milk drinks, which had been increasing since 1981, rose further in 1983 by 6.5 per cent, to 312,000 tons.

32. In the United States, sales of flavoured milk and milk drinks amounted to 997,000 tons in 1982, representing a decline of about 4.2 per cent compared with 1981, while sales of most other fresh milk products increased. Sales of buttermilk rose from 405,000 tons in 1981 to 424,000 tons in 1982; sales of yoghurt, which appear to have increased more than tenfold in the last twenty years, although this product is not consumed by a large part of the population, increased by 7.2 per cent in 1982 to reach 283,000 tons; in the same year, sales of milk and cream mixtures rose from 262,000 tons to 267,000 tons, sales of cream increased by 7.3 per cent to 103,000 tons and sales of sour cream increased by 7.7 per cent to 210,000 tons.

33. In 1983, Canadian production of cream increased by about 4.6 per cent compared with 1982, reaching 397,450 tons of milk equivalent. In the first half of 1984, output totalled 193,708 tons. In 1983, output of low-fat products such as buttermilk continued the decline started in 1981, falling to 103,800 tons, a reduction of 1.9 per cent. Production of curdled milk, képhir and yoghurt showed an increase of 3.2 per cent and is believed to have reached about 40,600 tons.

34. Australia recorded vigorous consumption growth for such products as yoghurt and cream. In New Zealand, where cream output amounted to 9,400 tons in 1981, consumption of certain fresh milk products such as yoghurt and ice cream rose in 1982.

Skimmed Milk Powder

Production (see Table 1)

35. In 1983, total production of skimmed milk powder in the countries or group of countries listed in Table 1 reached 3,895,000 tons, i.e. about 374,000 tons or 10.6 per cent more than in 1982. According to estimates, world production, which amounted to 4,490,000 tons in 1983, was 9.7 per cent greater than in 1982, when it rose by 7 per cent compared with 1981. According to the data shown in Table 1, however, production decreased somewhat during the first half of 1984. In the EEC, after falling 2.8 per cent in 1982, production seems to have increased by about 13.3 per cent in 1983, reaching 2,222,000 tons; in the first half of 1984, on the other hand, it appears to have decreased by 10 per cent, to about 1,234,000 tons. In the United States, production continued to increase, showing a rise of 8 per cent in 1983 and reaching 691,000 tons; in the first half of 1984, however, it appears to have fallen by 15.9 per cent to 313,000 tons. In New Zealand, production recovered in 1983, showing a slight rise (about 1.3 per cent) and reaching 177,400 tons, whereas it fell by about 11.6 per cent in 1982 compared with 1981; it increased very substantially in the first half of 1984 (about 111 per cent) as a result of a large rise in milk output. In Australia, production in 1983 rose substantially (36.6 per cent) compared with 1982; production in the first half of 1984 continued to increase at a slightly slower rate. In Canada, on the other hand, production decreased substantially (by about 30 per cent) to 121,700 tons; output rallied, however, in the first half of 1984. According to the data communicated to the secretariat, production of skimmed milk powder by most of the other participants followed an ascending curve in 1983, inter alia, in Japan, Poland, Sweden, Finland and Austria. According to some reports, production in the USSR also continued to increase in 1983.

36. It is estimated that world production of skimmed milk powder will increase by about 1.6 per cent in 1984, i.e. at a considerably slower rate than in 1983. In the EEC, production might show a decrease of 14.5 per cent in 1984 compared with 1983; a subsequent decline of 4.2 per cent is expected in 1985 compared with 1984. It has been forecast that in the United States production will show a decrease by 18 per cent in 1984, and a subsequent decline by 7 per cent in 1985. In New Zealand, the increased output of milk in 1983/84 was used mainly to make butter and skimmed milk powder. It may be estimated that for the calendar year 1984 production of skimmed milk will be greater than in 1983. Nevertheless, output in 1984/85 is expected to be below the 1983/84 level. In Australia, production of skimmed milk powder and buttermilk powder in calendar year 1984 will exceed the 1983 level. For the 1984/85 season, a 30 per cent increase in output of these products is expected, coming after a rise by 28.9 per cent in 1983/84. Poland's production is expected to remain relatively stable in 1984. In Canada, production may increase in 1984/85 compared with 1983/84. According to some reports, production in the USSR may continue to increase in 1984.

Trade (see Tables 2, 3 and 4)

37. According to the provisional data available to the secretariat, total exports of skimmed milk powder (including food aid) showed a slight increase in 1983, after two years of decline. For the countries or group of countries included in Table 2, it will be seen that total exports for 1983, at 856,000 tons, were greater (by about 2.2 per cent) than the 1982 figure. This rise is partly due to the very substantial increase in foreign donations by the United States. According to the data in Table 2, exports in the first half of 1984 continued to increase. Exports by the United States rose very substantially in 1983, reaching 234,000 tons, i.e. an increase of 85.7 per cent compared with 1982; approximately half of the shipments - about 113,000 tons - were made as food aid. The principal destinations of these exports were countries in Southern Asia and Africa, as well as Poland and Mexico. Exports continued to increase in the first six months of 1984, though at a slower rate, reaching 108,000 tons, about three-fourths of which was shipped as food aid. It should be noted that as a result of the agreement signed in February 1982, the United States and Jamaica concluded, in November 1983, a barter agreement for the exchange of United States surplus dairy products to a value of US$13.6 million, against Jamaican bauxite. Under this agreement the United States will exchange 11,340 tons of skimmed milk powder at US$740 per ton f.a.s. and 2,855 tons of butter oil at US$1,780 per ton f.a.s. against 400,000 tons of bauxite. Under the second part of this arrangement, 17,091 tons of skimmed milk powder and 4,355 tons of butter oil were sold to Jamaica at the beginning of 1984 at the same prices as in November 1983. In addition, among programmes for expanding the utilization of dairy products, mention may be made of export sales for social welfare programmes in recipient countries. Total exports from the EEC (including food aid) decreased in 1981 and 1982. This decline continued in 1983, when exports amounted to 209,000 tons, i.e. a fall of 41.6 per cent compared with 1982. According to provisional data, however, exports recovered during the first half of 1984, reaching 157,000 tons, as against 116,000 tons in the corresponding period of 1983. The principal destinations of exports from the Community in 1983 were countries in Africa and Asia. Exports from New Zealand showed an increase of 9.8 per cent in 1983, rising to 155,200 tons; this increase was continued in the first half of 1984, though at a slower rate. As in 1982, the main destinations of New Zealand exports in 1983 were countries in South East and Eastern Asia. Exports from Canada decreased substantially in 1983 (by about 31 per cent) falling to about 82,000 tons; they continued to decline more rapidly in the first half of 1984. The principal destinations of Canadian exports in 1983 were Iran and Peru. Exports from Australia amounted to 55,500 tons in 1983, i.e. an increase of about 54 per cent compared with 1982; they continued to increase in the first half of 1984, though at a considerably slower rate. It is also worth mentioning that in January 1984 Australia gave notice, in accordance with Article 3, paragraph 5 of the Protocol, of its intention to dispose of 250 tons of skimmed milk powder at a price below the minimum price. Exports from Poland more than tripled in 1983, reaching about 38,000 tons, as against 10,800 tons in

1982; this increase continued in the first half of 1984, when exports increased by 70 per cent in relation to the corresponding half of 1983, reaching 19,900 tons. The main destinations of Polish exports in 1983 were countries in South and East Asia and Algeria. Sweden also recorded a substantial increase (about 67 per cent) in its exports in 1983, which amounted to 31,300 tons. In the first half of 1984, however, its sales declined substantially. South Africa exported about 7,600 tons of skimmed milk powder in 1983, whereas it made no exports in 1982: the main destination was Japan. In the first half of 1984, about 5,700 tons were exported. It should be mentioned that in March 1984, South Africa exported skimmed milk powder through the New Zealand Dairy Board, mainly to the Far East. The amount sold was 6,000 tons and delivery by South Africa took place between April and September 1984. It must also be mentioned that in December 1983, South Africa sold 400 tons of skimmed milk powder to Japan for use as animal feed, at a price below the minimum price.

38. On the import side, it should be noted that purchases by Japan, which is a traditional importer, reached the same level in 1983 as in 1982, i.e. 93,000 tons. It should also be noted that most of the powder imported - 72,000 tons - was for use as animal feed. At the beginning of 1984, imports picked up again and showed a rise of 17.5 per cent between January and June. The principal origin of imports in 1983 was New Zealand, which sold Japan about 57,000 tons of skimmed milk powder. Spain, which is also a traditional importer of this product, imported less in 1982, and the decline continued in 1983. Mexico, which was reported to have maintained fairly high levels of imports in 1981 and 1982, appears to have imported about 112,000 tons of skimmed milk powder in 1983, as against 97,000 tons in 1982, the main supplier being the United States. In general, however, imports of dairy products by developing countries fell from 17 million tons of milk equivalent in 1982 to 16 million tons in 1983 (estimated figures), the petroleum exporting countries accounting for about half of these imports.

39. As regards the outlook, the slight recovery in international trade noted in 1983 may continue or even gain strength in 1984 by reason, in particular, of the increase in food-aid deliveries. There are some indications that United States exports may amount to 275,000 tons in 1984, as against 234,000 tons in 1983. The recovery of exports by the EEC, which started at the beginning of 1984, may continue for the rest of the year. Oceania may show some increase in exports in 1984, whereas sales by Canada may decline. Poland's exports could reach the level of 35,000 tons in 1984.

Food aid

40. According to certain estimates, food-aid deliveries of dairy products, consisting mainly of skimmed milk powder and anhydrous milk fat, increased in 1983 to more than 3 million tons of milk equivalent accounting for approximately 14 per cent of total world exports of dairy products. Large quantities of skimmed milk powder are used to promote dairy development in

the recipient countries. According to some reports, an increase is planned for nutrition projects and support projects for dairy development programmes. Foreign donations of skimmed milk powder by the United States amounted to 113,000 tons in 1983, as against 66,000 tons in 1982, the main destinations being countries in Africa and Asia, as well as Mexico and Poland. During the first six months of 1984, foreign donations amounted to about 82,000 tons, out of total exports of 108,000 tons. While it was forecast that shipments of skimmed milk powder under Public Law 480 would amount to 140,000 tons during the 1984 financial year, as against 142,000 tons in the previous year, it was also expected that in the same financial year shipments under Section 416 would reach 70,000 tons (27,000 tons carried forward from the previous year) as against 43,000 tons in the financial year 1983. These figures do not include skimmed milk powder exported as a component of a mixture of corn, soya and skimmed milk powder. Food-aid deliveries by the EEC amounted to 74,000 tons in 1983, against 165,000 tons in 1982. The 1983 programme (approved in July 1983) was for 150,000 tons, the same as in 1982. The main beneficiaries under the 1983 programme were India with 35,000 tons, Egypt with 10,000 tons and the World Food Programme (27,000 tons). The 1984 food-aid programme of the Community provides for 122,500 tons of skimmed milk powder. The secretariat does not have a break-down of this quantity by recipient countries and international organizations. Food-aid operations by Canada, reported to have been of the order of 14,000 tons of skimmed milk powder in the 1982/83 fiscal year, seem to have increased substantially during the 1983/84 fiscal year, to reach 28,000 tons. According to available data, food-aid deliveries of milk powder have also been made by Australia, Austria, Finland, Japan and Switzerland. According to some reports, China, which is not traditionally a large milk producer and consumer, is now attaching greater importance to dairy development and may use food aid in the form of skimmed milk powder and anhydrous milk fat as a major element in its dairy development programme.

Consumption (see Table 5)

41. World consumption of skimmed milk powder is reported to have grown faster in 1983 than in 1982. According to the figures given in Table 5, apparent consumption of skimmed milk powder increased by about 16.5 per cent in 1983. This appears to have been due primarily to increased consumption in the United States and the EEC, where several promotion programmes are in effect. Total consumption in the EEC seems to have risen in 1983 to 1,600,000 tons, an increase of 23 per cent compared with 1982. Taking liquid skimmed milk used as animal feed into account, apparent consumption in skimmed milk powder equivalent would be about 2,000,000 tons. Human consumption appears to have fallen to 220,000 tons, or 20,000 tons less than in 1982. In the case of animal feed, which is the main outlet for skimmed milk powder in the Community, apparent consumption seems to have been close to 1,800,000 tons, of which 1,300,000 tons was used to feed calves and 500,000 tons to feed pigs and poultry. During the first six months of 1984, total domestic consumption appears to have been 1,104,000 tons, as against 944,000 tons in the first half of 1983. Most

of this - 956,000 tons - seems to have been used as animal feed, while human consumption amounted to about 148,000 tons. In the United States, total domestic consumption increased by 22.7 per cent in 1983, reaching 406,000 tons. As in 1982, the volume of skimmed milk powder used for animal feed (28,000 tons in 1983) remained small compared with human consumption (378,000 tons). Total domestic consumption in the first six months of 1984 showed a decrease due mainly to the smaller amount used for human consumption. In Japan, total domestic consumption increased by 9 per cent in 1983, reaching 263,000 tons. During the first half of 1984 it remained relatively stable at about 126,000 tons. The greater part of the skimmed milk powder consumed was used for human consumption. In Australia, apparent consumption of skimmed milk powder appears to have declined substantially in 1983, but recovered during the first six months of 1984. In Finland, Hungary and Austria most of the volume consumed in 1983 and the first half of 1984 was used for animal feed.

42. It should be noted that in Western Europe, where skimmed milk powder is used mainly for animal feed, measures are applied to promote its consumption. EEC direct aid for the use of skimmed milk powder in the feeding of calves is at the rate of ECUs 73 per 100 kg. or 44 per cent of the price of this product. In addition, subsidies are granted for liquid skimmed milk, to promote its use either in the animal feed sector or for processing into casein. In addition to these permanent measures, special measures can be taken in the "pig and poulty" compound feed sector if the stock situation so requires. Thus, as indicated in the preceding paragraph, it is estimated that some 500,000 tons were sold at greatly reduced prices in 1983 for pig and poultry feeding, while EEC consumption of skimmed milk powder for the feeding of calves amounted to 1,300,000 tons. The price of soya protein rose in 1983, which made it less competitive than in the past and favoured the use of skimmed milk powder as a substitute in compound feed. In the EEC, 89 per cent of total consumption of skimmed milk powder was supported by government measures in 1983, as against 84 per cent in 1982. It should be mentioned that in July 1984 the Council decided to extend the aid régime of skimmed milk powder for calves to include partly skimmed milk powder (9 to 11 per cent fat), which should provide an additional outlet. Sales at greatly reduced prices for "pig and poultry" feed are forecast to total some 500,000 tons in 1984. It may be expected that in 1984 the amount sold for animal feed will again increase. Other participants too, in particular Austria, Finland and Switzerland, engage in drives to promote the consumption of both skimmed milk powder and liquid skimmed milk as animal feed. It should be noted that the United States Department of Agriculture is planning to increase sales of skimmed milk powder for animal feed. It has been estimated that these sales may rise to 45,000 tons in 1984, compared with 28,000 tons in 1983. As regards consumption of dairy products in general, a number of programmes have been set up to increase the use of dairy products in the United States. National donations of skimmed milk powder may reach 70,000 tons in 1984, an increase of 30,000 tons compared with 1983. It is estimated that the proportion of total consumption of skimmed

milk powder supported by government measures rose to 22 per cent in the financial year 1983, as against 20 per cent in 1982. In Canada, where denatured skimmed milk powder for animal feed is sold at reduced prices on the domestic market, a further price reduction on this product has recently been announced.

Stocks (see Table 6)

43. Total stocks of skimmed milk powder in the EEC, North America and Oceania (approximately 1,783,000 tons on 1 January 1984) were about 32 per cent larger than one year earlier. Total stocks of skimmed milk powder held by other participants showed divergent trends between 1 January 1983 and 1 January 1984. The increase in world production of skimmed milk powder caused a considerable rise in the level of stocks in 1983. Stocks continued to grow in 1984, though at a much slower rate. The increase recorded in 1983 is accounted for mainly by public stocks in the United States and the EEC.

44. On 1 July 1984, the EEC, North America and Oceania held total stocks of about 1,725,000 tons, as against 1,660,000 tons the previous year and 1,086,000 tons in July 1982. Public stocks of the EEC rose to 956,000 tons on 1 July 1984, from 888,000 tons on 1 July 1983 and 396,000 tons on 1 July 1982. Subsequently they increased somewhat, to about 965,800 tons on 13 September 1984. On 1 July 1984, stocks held by the United States had reached 645,000 tons, a slight increase by 1.4 per cent compared with the situation one year earlier. Stocks declined thereafter and on 21 September 1984 were at the level of 550,000 tons, as against 614,000 tons on 23 September 1983. It has been estimated that as a result of the measures taken to balance supply and demand, stocks at the end of 1984 could be well below their level one year earlier. At the end of 1983, stocks of skimmed milk powder in the EEC and the United States alone represented about one third of annual world production and twice the volume of international trade. On 1 July 1984, stocks of skimmed milk powder in New Zealand and Canada were below their level on 1 April 1983. Australia's stocks, on the other hand, increased appreciably between 1 July 1983 and 1 July 1984.

International prices

45. Since 1 October 1981 the minimum price of skimmed milk powder[1] has been US$600 per metric ton f.o.b. International prices of skimmed milk powder weakened, particularly during the first three quarters of 1983. Average prices in 1983 fluctuated between US$745 and US$850 per ton f.o.b. and competition remained strong. At the beginning of 1984 prices of skimmed milk powder for human consumption varied according to the supplier and appear to have been in a bracket of US$700 to US$760 per ton f.o.b. at the end of March. These prices seem to have remained fairly stable in the second quarter of 1984, fluctuating between US$690 and US$760 per ton f.o.b. Sales of skimmed milk powder for animal feed were, however, made at lower prices. In the third quarter of the year, prices of skimmed milk powder declined slightly to reach a bracket between US$640 to US$720 f.o.b., the prices at the lower end of the bracket being those of skimmed milk powder for animal feed.

[1] See table on page 2.

Whole Milk Powder

Production (see Table 7)

46. In 1983, total production of whole milk powder in the countries or group of countries listed in Table 7 amounted to about 1,042,000 tons, about 100,000 tons or 8.9 per cent less than in 1982. According to the figures given in Table 7, production - which is closely keyed to demand - picked up in the first six months of 1984. In the EEC, the world's leading producer, output in 1983 was estimated at 604,000 tons, or 10.1 per cent less than in 1982. According to provisional data, production in the first half of 1984 showed a rise of 19.2 per cent. In New Zealand, production fell by 21 per cent in 1983, to 104,000; it increased very substantially, however, in the first six months of 1984, as a result of a large increase in milk output. Production in the 1983/84 season reached 124,000 tons, as against 114,000 tons in 1982/83. In Australia, production amounted to 43,400 tons in 1983, a decrease of 25.4 per cent compared with 1982. Output in the 1983/84 season totalled 44,000 tons, down by about 12.1 per cent in relation to 1982/83. This decline has been attributed to slower export demand and to keen competition at the level of prices on the international market. In Poland, production increased in 1983 but declined during the first six months of 1984. In Finland, production amounted to 25,000 tons in 1983, or 3,000 tons less than in 1982; production for the first half of 1984 increased substantially.

47. As regards the outlook, it has been estimated that production of whole milk powder in the EEC may rise by 18 per cent in 1984 as compared with 1983. The expected rise is, however, subject to export possibilities, since output of this product depends on orders from third countries. According to some projections, production will increase by 2.6 per cent in 1985 compared with 1984. In New Zealand, output in calendar year 1984 will probably be above the previous year's level; production in 1984/85 is likewise expected to exceed the total for 1983/84, and reach some 132,000 tons. In Australia, production in 1984/85 could be down 14 per cent to the level of 38,000 tons. In Finland, output in 1984 could reach 31,000 tons, an increase of 6,000 tons in relation to 1983.

Trade (see Tables 8 and 9)

48. According to the figures in Table 8, total exports of whole milk powder decreased in 1983 by about 103,000 tons, to a level of about 610,000 tons. The slowdown in international trade observed in 1982 was accentuated in 1983 when the market for whole milk powder was characterized by instability and weakness of demand. In the first six months of 1984, however, exports revived.

49. On the export side the EEC, the leading exporter of whole milk powder, is reported to have exported 420,000 tons in 1983, i.e. 13.9 per cent less

than in 1982. Exports in the first half of 1984 are estimated at 263,000 tons, or 59,000 tons more than in the corresponding period of 1983. The main destinations of exports in 1983 were countries in Western Asia, South America and Africa. Exports from New Zealand, the world's second largest exporter, which had increased by about 59 per cent in 1982, fell by 19 per cent in 1983, to 95,000 tons. During the first six months of 1984, however, exports revived. In 1983 the main destinations were South and East Asian countries and the USSR. Exports from Australia, which had increased by 8.9 per cent in 1982, showed a decline of 19.2 per cent in 1983, falling to 33,600 tons. This fall continued during the first half of 1984. In 1983 the principal destinations were South and East Asian countries. Exports in 1983/84 declined by about 7,400 tons compared with 1982/83, falling to about 30,700 tons. Exports from Finland, which go almost exclusively to the USSR, amounted to 25,000 tons in 1983, or 8.7 per cent more than in 1982; they continued to grow during the first six months of 1984 at a faster rate. For the year 1984 as a whole, they are expected to total 30,000 tons. Exports from Austria showed a severe fall (41 per cent) in 1983, to 14,300 tons; during the first half of 1984, however, they increased very substantially (by 112 per cent) to reach 15,700 tons, as against 7,400 tons during the corresponding period of 1983, the principal destinations being countries in Eastern Europe and the Middle East. As regards imports in 1983, the developing countries reduced their purchases, which had been increasing quickly up to 1981. Their imports are believed to have revived in 1984, however. Imports by the USSR seem to have declined steeply in 1983.

International prices

50. Since 1 October 1981, the minimum price of whole milk powder[1] has been US$950 per metric ton f.o.b. International prices of whole milk powder weakened in 1983, falling to within a range of US$1,000-1,150 per ton f.o.b. at the end of the year. It seems, however, that some sales were made at lower prices. At the beginning of 1984 the fall in prices appears to have continued, to reach a range of US$980-1,100 per ton f.o.b. toward the end of the first quarter. Prices seem to have remained relatively stable during the second quarter of 1984, fluctuating between US$970 and US$1,100 per ton f.o.b. In the third quarter of the year, prices weakened slightly, inter alia, because of appreciation of the United States dollar, and were fluctuating between US$950 and US$1,050 per ton f.o.b. toward the end of September.

[1] See table on page 2.

Buttermilk Powder

51. The secretariat receives very little information on this product from participants. It appears that in several participating countries no separate official statistics on production, stocks and trade are kept for buttermilk powder. The figures are not known because they are no doubt included in the statistics on skimmed milk powder. Certain participants, however, have supplied the secretariat with the limited amount of information which follows.

52. In New Zealand, output of buttermilk powder increased in 1983 and the first half of 1984. Exports were rising during 1983, but declined in the first six months of 1984. At 1 July 1984, stocks totalled 17,800 tons as against 12,000 tons one year earlier. It should be mentioned that in February 1984 New Zealand notified its intention of selling to Spain 3,000 tons of buttermilk powder for animal feed at less than the minimum price. In Australia, production was rising in 1983 and the first six months of 1984. Exports increased in 1983 and dropped back in the first half of 1984. At 1 July 1984, stocks were larger than one year earlier. In Austria, Sweden and the United States, the small quantities of buttermilk powder produced were used for domestic consumption and these countries neither exported nor imported buttermilk powder in 1983 and the first six months of 1984.

53. No quarterly breakdown of information on buttermilk powder is available for the EEC. According to certain reports, Community production of buttermilk powder is estimated to have totalled 45,000 tons in 1983, unchanged from 1982.

54. Since 1 October 1981 the minimum price of buttermilk powder[1] has been US$600 per metric ton f.o.b., i.e. the same as the minimum price for skimmed milk powder.

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[1] See table on page 2.

Butter

Production (see Table 11)

55. In 1983, total production of butter in the countries and group of countries listed in Table 11 reached some 3,900,000 tons, an increase of 9 per cent in relation to 1982. There are indications that world butter output in 1983 amounted to 6,914,000 tons, representing an increase of 8.5 per cent over 1982, when production had increased by 5 per cent. According to the data in Table 11, overall production of butter seems to have decreased slightly in the first six months of 1984 in relation to the corresponding period of 1983. In the EEC, output is estimated to have increased by 11.8 per cent in 1983 to reach 2,183,000 tons; according to provisional data, butter output seems to have declined by 2 per cent in the first half of 1984 in relation to the corresponding period of 1983. In the United States, where production had risen by 2.3 per cent in 1982, the uptrend strengthened in 1983 raising output to the level of 593,000 tons, representing an increase by 4 per cent in relation to 1982. In the first six months of 1984, however, output dropped back by 12.8 per cent to 292,000 tons. In New Zealand, production declined by 0.5 per cent in 1983 to 238,400 tons. Following an increase in milk output in early 1984, however, butter production progressed by some 33 per cent in the first half of the year. Output in 1983/84 was above the previous season's level. In Australia, production rose by 28.3 per cent in 1983, reaching 93,300 tons. As in New Zealand, the upward trend continued in the first six months of 1984, when production was 32.2 per cent above the level for the corresponding period of 1983. Output in 1983/84 reached 111,000 tons, an increase by 26 per cent over the preceding marketing year. Following improved milk production, butter output in Poland recovered in 1982 and reached 224,000 tons, an increase by 1.2 per cent in relation to 1981. This recovery became more pronounced in 1983 when production progressed by 16.2 per cent and totalled 261,000 tons. In the first six months of 1984, the uptrend continued at a faster rate. In Finland, production increased by 21.7 per cent in 1983, reaching 84,000 tons. In the first half of 1984, however, it dropped back by 9.3 per cent. In Canada, creamery butter production declined by 16 per cent in 1983 to the level of 103,000 tons; in the first six months of 1984, however, it increased by 5.4 per cent to reach 57,400 tons. According to the figures given in Table 11, butter output by other participants was generally rising in 1983 and the first half of 1984. In the USSR output is believed to have increased substantially in 1983 (by about 13 per cent) to reach 1,439,000 tons.

56. According to certain sources, world output of butter will rise by about 2 per cent in 1984, i.e. much more slowly than in 1983. The major part of the increment will be produced in the USSR, where output in 1984 could be 4 to 5 per cent above the 1983 level. EEC output is expected to show a decline by 7.4 per cent in 1984 and by a further 3.1 per cent in 1985. In the United States too, a decline by 12 per cent in 1984 and by a further 4 per cent in 1985 is seen as likely. In New Zealand, butter

output in 1984 will be above the 1983 level; nevertheless, production in 1984/85 is expected to be below the 1983/84 level. In Australia, aggregate production of butter and anhydrous milk fat could show an increase in 1984/85. In Canada and Poland, too, production could progress in 1984.

Trade (see Tables 12, 13 and 14)

57. According to the figures in Table 12, exports of butter declined in 1983; nevertheless, they seem to have revived during the first six months of 1984. As in 1982, international trade in butter slowed down in 1983 because of weaker demand. In mid-1984, the market situation was characterized by a high level of stocks, weakness of demand and strong competition as to prices.

58. On the export side, sales by the EEC to third countries were estimated at 215,000 tons in 1983, down 13.3 per cent in relation to 1982. In 1983, the EEC was exporting mainly to certain Mediterranean countries, the USSR and OPEC countries. According to provisional data, exports seem to have rallied in the first six months of 1984. Butter exports by New Zealand dropped back 28.4 per cent in 1983 to the level of 147,600 tons, the United Kingdom remaining the principal outlet. It should be noted that under the preferential régime for butter imports from New Zealand, the United Kingdom has been authorized to import, under certain conditions, 83,000 tons in 1984, 81,000 tons in 1985 and 79,000 tons in 1986. Among other major outlets one may mention USSR, Iran and Iraq. It should be noted that because of the increase in stocks the United States has been exporting butter since 1981. In 1981 and 1982, the United States exported 54,000 and 68,000 tons of butter respectively, mainly to New Zealand and Poland. These exports were carried out under contracts for 100,000 tons in the case of New Zealand, and for 30,000 tons in the case of Poland, signed in 1981. Exports in 1983 totalled 37,000 tons, the principal destinations being Poland and Egypt.

59. Among other butter exporters, Finland's deliveries increased very substantially in 1983 to reach 26,000 tons, as against 8,000 tons in 1982, the principal destination being the USSR which imported 12,700 tons of butter under trade agreements signed between the two countries. Exports increased steeply in the first six months of 1984. Butter deliveries by Sweden increased slightly in 1983 (by about 2.9 per cent) but then dropped back in the first half of 1984. It will be recalled that Sweden has agreed to sell certain quantities of butter to the USSR each year from 1982 to 1985. Australia's butter exports increased by 13.7 per cent in 1983 to the level of 8,300 tons; thereafter they progressed very substantially in the first six months of 1984. Exports from Hungary increased substantially in 1983 to reach 11,400 tons, i.e. 68 per cent above the 1982 level, the main destinations being Lebanon and Iran. In the first half of 1984, however, these exports declined very appreciably. Deliveries by Argentina, which had been negligible in 1981, reached 5,000 tons in 1982 and 7,400 tons in 1983, in which year the main destinations were Morocco and the USSR. Deliveries by Norway doubled in 1983 to reach 7,300 tons, but dropped back

in the first six months of 1984. Exports by Uruguay also increased very substantially in 1983 and totalled 9,100 tons (3,800 tons in 1982), the principal destinations being the USSR and Iran. In the first six months of 1984, however, exports were nil. Canada, which does not play a significant rôle in the international butter trade, exported 4,100 tons in 1983, when the principal destinations were Algeria and the USSR. In the first half of 1984, exports were nil.

60. On the import side, imports of butter and anhydrous milk fat by the developing countries, in particular the OPEC countries, seemed to have declined in 1983. In the USSR, the increase by about 5 per cent in butter output, and the tendency to prefer to import cheaper vegetable oils were reflected in a pronounced decline in imports of butter and anhydrous milk fat in 1982. Thus, USSR imports of butter are believed to have totalled some 150,000 tons in 1982, a decline by 65,000 tons from the level of 1981, the principal supplying country being New Zealand. In 1983, however, and notwithstanding increased production, imports are believed to have risen to around 203,000 tons, up 34 per cent in relation to 1982, the principal suppliers being the EEC and New Zealand. Butter imports by the EEC totalled 103,000 tons in 1983, the principal supplying country being New Zealand. Butter imports by Switzerland dropped in 1983 to 11,900 tons as against 15,300 tons imported in 1982; this decline continued in the first half of 1984. Owing to increased domestic demand, Hungary had to import 7,600 tons of butter in 1983 as against 2,700 tons in 1982. In Japan, where no butter had been imported since 1978 apart from very small quantities intended for special use, some 5,000 tons were imported in 1982 to stabilize prices on the domestic market. However, as a result, inter alia, of increased domestic output, Japan imported only 2,000 tons of butter in 1983. In the first six months of 1984, imports were nil.

61. As regards prospects, it should be mentioned that in July 1984 the Commission of the European Communities announced a series of additional measures to facilitate disposal of dairy products, in particular butter. The Commission adopted two regulations - one concerning the special sale of intervention butter for export to certain destinations, and the other the sale at a fixed price of butter intended for export in the form of ghee. The first regulation concerns the sale of intervention butter not less than six months old for export to certain specified destinations (Middle East, Iran, USSR). With respect to sales of butter for export in the form of ghee, the regulation requires the ghee to be processed from butter at least seventeen months old. The compulsory destinations are the same with the exception of the USSR. These two measures are applicable as from 3 September 1984[1]. EEC exports in 1984 can be expected to exceed those in 1983. In the United States, butter exports are forecast at 50,000 tons in 1984, as against 34,000 tons in 1983. The expected increase in exports in 1984 corresponds to larger foreign donations under the Section 416 programme. Exports by Australia are likely to rise in 1984. On the import side, it is difficult to know at present whether the USSR will take advantage of special sales by the EEC or any other offers. If that were not the case, it is estimated that USSR imports in 1984 could total 150,000

[1] See note on page 10

to 170,000 tons, as against 203,000 tons imported in 1983. In general, there is considerable uncertainty regarding the future outlook for international trade in dairy products. Uncertainty regarding the trend in import demand from the USSR and the East European countries is compounded by the consequences of the cut in earnings of the oil-producing countries. Demand for dairy products could improve somewhat, however, because of the economic recovery. According to certain reports, import demand from the developing countries can be expected to revive progressively. Availabilities are nevertheless likely to be well in excess of real demand in 1984.

Consumption (see Table 15)

62. According to the figures in Table 15, apparent consumption of butter seems to have remained relatively stable in 1983. Certain reports indicate that world butter consumption grew during calendar year 1983 and could continue to develop in 1984. It should be noted that many steps are being taken to promote butter consumption, inter alia, in the EEC and the United States. In 1983, apparent consumption appears to have increased in the United States, Canada, Poland, New Zealand, Austria, Bulgaria, Sweden, South Africa and Uruguay and to have remained relatively stable in Finland. Apparent consmption appears to have decreased in the EEC, Switzerland, Argentina and Japan.

63. In 1983, the EEC continued its butter consumption financing policy with a view to reducing stocks. Since butter output is still in excess of direct consumption requirements, measures are being taken to promote consumption. Special sales of cut-price butter within the Community, such as sales to ice-cream and cake manufacturers and to non-profit-making institutions and bodies, were continued and amounted to some 185,000 tons in 1983 at a cost of approximately ECU 280 million. Moreover, a general subsidy aimed at reducing the consumer price of butter is being applied in four member States, involving a total quantity of some 333,000 tons in 1983. The cost of these measures is approximately ECU 150 million. The sale of concentrated butter for cooking purposes has been re-introduced. It is estimated that 34 per cent of total butter consumption was supported by public measures in 1982, as against 31 per cent in 1981. Public expenditure on butter consumption programmes amounted to ECU 572.9 million in 1982 as compared to ECU 409.2 million in 1981. In addition, a campaign financed by funds from the co-responsibility levy is designed to expand consumption of dairy products. Community assistance to the milk distribution programme in schools has been expanded and now covers all the member States; it has been prolonged in principle for a five-year period beginning in 1983/84. Efforts are being made in the EEC, in particular through sales at reduced prices, to make butterfat competitive with vegetable fats. The preference given to the latter is believed to be due either to great differences of price in relation to butter or to certain eating habits. As regards measures to promote consumption, the Commission intends to take the necessary action to extend the existing aid scheme for cake and ice-cream to confectionery products, table spreads and certain

fish preserves, which would allow the disposal of an additional amount of some 20,000 tons of butter. In addition, the Commission is giving further consideration to the possibility of special end-of-year sales ("butter for Christmas"). It is estimated that apparent consumption of butter declined by about 2.1 per cent in 1983. In 1984, consumption is expected to increase, in relation to the preceding year. According to certain projections, consumption could remain stable in 1985.

64. In Switzerland, where a number of measures fairly similar to those of the EEC have been taken to promote butter consumption in the domestic market, the product is being sold at prices considerably below cost, with the help of subsidies. In 1982, about 68 per cent of total butter consumption was covered by government support measures, and expenditure for promoting butter totalled Sw F 200,401,000. Advertising campaigns have also been launched to promote butter consumption. In addition, charges are applied on imports of edible oils and fats in order to help narrow the gap between the price of butter and of other fats. Domestic consumption of butter is believed to have declined slightly in 1983 and is expected to continue downward in 1984 too.

65. In Finland, where consumption of dairy products, particularly butter, is high, the consumer price of butter is subsidized. This subsidy is granted on all butter produced in dairies or on a farm. The price of margarine is increased by a consumption tax in order to maintain a constant ratio between butter and margarine prices, but it is now planned to modify this ratio in favour of butter. After having remained stable in 1983 consumption of butter could decrease in 1984 by 3 per cent.

66. In Poland, butter consumption which had been 7 kg. per capita in 1981 dropped back in 1982 to the level of 6 kg. Consumption recovered, however, in 1983. Any increase nevertheless depends on the rationing system in force.

67. In Austria, sales drives involving reduced butter prices are undertaken for social and economic reasons. Likewise, the army and hospitals can obtain butter at reduced prices throughout the year. Nevertheless, advertising campaigns to promote consumption, whether of butter or of margarine, have resulted in only a meagre increase in consumption of these products and there has been little variation in their respective shares.

68. In South Africa, consumption of butter has declined steadily owing to competition from margarine. Steps have been taken to foster butter consumption, in the context of advertising campaigns to promote sales of the product. In addition, the retail price of butter is subsidized. Butter consumption increased in 1983 and could show a further slight rise in 1984.

69. In the United States, total domestic consumption of butter increased in 1982 and 1983 after several years of decline. The reasons for that earlier decline include competition between butter and margarine and

competition between the various types of margarine depending on fat content. In order to bring down surplus stocks, a number of butter distribution programmes have been launched. It is estimated that in fiscal year 1983, domestic donations accounted for 127,000 tons, equivalent to 24 per cent of total domestic consumption, as against 59,000 tons, or 13 per cent of domestic consumption, in fiscal year 1982. Total domestic consumption is forecast to remain unchanged in calendar year 1984 in relation to 1983 at the level of 545,000 tons. However, sales at normal prices are expected to be up from 411,000 tons in 1983 to 420,000 tons in 1984; special sales are likely to be down from 134,000 tons in 1983 to 125,000 tons in 1984, reflecting a reduction in domestic donation programmes. It should be noted that commercial sales seem to have been affected by special sales at reduced prices.

70. In Canada, apparent consumption of butter is believed to have increased in 1983. An advertising campaign for butter has been launched in 1984. However, the margarine producers have also launched a publicity drive in favour of their product. The effects of the measures introduced to promote butter consumption cannot yet be seen. Apparent consumption of butter is expected to remain relatively stable in 1984.

71. In New Zealand, a rise in butter prices and competition from table margarine resulted in lower per capita consumption in 1982 than in 1981. Nevertheless, this consumption, at around 12.6 kg. in 1982, remains high in this country. Until recently, butter prices in New Zealand were much lower than those of margarine. Following an increase in the retail price of butter, however, the two products are now being sold at the same price. In calendar year 1983, consumption of butter increased by 3.5 per cent in relation to 1982. Consumption has been assisted by a promotional campaign undertaken by the New Zealand Dairy Board and by the introduction of two new butter products. In 1983/84, consumption dropped back slightly from the 1982/83 level.

72. In Australia, per capita consumption of butter declined steadily in the 1970s, while that of table margarine increased. Thus butter has gradually been replaced by table margarine in the Australian market. The reasons for this appear complex. Price may have played some part, but consumer preference seems to have been the main factor. Numerous advertising campaigns were undertaken in the 1970s to promote butter consumption, but against these were the advertising programmes run by margarine manufacturers. Total consumption of butter and butter oil in 1980/1981 amounted to only 63,700 tons, as compared with 117,000 tons in 1970/1971. The decline in butter consumption seems to have levelled off, however, and retail sales have stabilized at around 30 per cent of the total table-spreads market, notwithstanding significant price increases between 1979/1980 and 1981/82. This share of around 30 per cent is believed to have been maintained over the 1982/1983 season because of the level of promotional support. In response to both stable domestic prices and significantly increased promotional activity, total consumption of butter and anhydrous milk fat is estimated to have increased around 2 per

cent in 1983/84 to 62,000 tons. The Australian Dairy Corporation is endeavouring to promote consumption of these products within the context of a decrease in overall fat consumption in Australia.

Stocks (see Table 16)

73. Aggregate stocks of butter in the EEC, North America and Oceania (approximately 1,187,000 tons at 1 January 1984) were about 94 per cent larger than one year earlier. It should be noted that over this period stocks increased very substantially in the EEC, and also rose in the United States. It should be noted too, that stocks held by other participants showed no uniform variation over the period considered. It is estimated that by the end of 1984, stocks will again be larger than at the beginning of the year.

74. At 1 July 1984, total stocks in the EEC, North America and Oceania were at a level around 1,518,000 tons as against 996,000 tons one year earlier, representing an increase by 52 per cent over the period considered. In the EEC, public and private stocks of butter increased very substantially, reaching 1,146,000 tons at 1 July 1984, as against 648,000 tons one year earlier. Thereafter they continued to increase to some 1,253,000 tons at 13 September 1984, notwithstanding considerable efforts to promote consumption, in particular through reduced-price sales. It should be noted, however, that public stocks, at the level of 1,046,000 tons on 13 September 1984, have declined slightly (by 4,000 tons) in relation to the situation at 30 August 1984. This downward trend is expected to continue in the coming months, inter alia, because of declining output. Private stocks, which totalled some 207,000 tons at 13 September 1984, are expected to be nil by spring 1985 because of the fact that as from 16 September 1984 no further private storage contracts may be concluded. As indicated earlier in this report, in July 1984 the EEC approved a series of additional measures to facilitate disposal of butter and those measures concerned both exports and the internal market. In the United States, expansion of dairy products output, in combination with slower increases in their commercial use, led the Government to increase its purchases in 1983. As a result of measures taken to reduce production, in combination with relatively stable consumption and increased exports, in particular as food aid, it is nevertheless hoped that the level of stocks will come down in the course of 1984. Stocks of butter have shown a decrease and at 1 July 1984 totalled 234,000 tons, as against 267,000 tons one year earlier. It is estimated that at the end of 1984 they could be down very substantially, as compared to the beginning of the year. In New Zealand, stocks have increased very substantially and at 1 July 1984 totalled 75,000 tons, as compared to 21,000 tons at 1 July 1983. In Australia too, stocks have increased steeply, reaching 31,700 tons at 1 July 1984, as compared with 22,500 tons one year earlier. Butter stocks in Canada at 1 July 1984 were below their level on 1 July 1983. However, following a probable recovery in production towards the end of the year, stocks could show some increase. As noted in the preceding paragraph, world stocks at the end of 1983 were much larger than

at the beginning of the year. This increase seems largely attributable to very rapid swelling of stocks in the EEC and an increase in United States stocks. Concern is being felt over the effects on the world market situation of the level of these stocks, and the problems of their disposal.

International prices

75. The minimum price of butter[1] has been US$1,200 per metric ton f.o.b. since 1 October 1981. International prices of butter vary according to the supplier, market and terms of sale. In general, they continued to weaken in 1983 and early 1984 and at the end of the first quarter of 1984 were in a bracket between US$1,500 and US$1,680 per ton. Some offers seem to have been made at lower prices, however. During the second quarter of this year, butter prices seem to have levelled off in the vicinity of US$1,540 to US$1,600 per ton f.o.b. Demand seems to have remained weak, however, with fairly strong competition in regard to prices, and offers as well as sales have been reported at prices between US$1,350 and US$1,550 per ton f.o.b. This situation was attributable in particular to the level of stocks and weakness of demand. In the third quarter of the current year, prices weakened and are fluctuating within a considerably broader bracket. In general, butter sales seem to be at prices in the vicinity of US$1,400 to US$1,450 per ton f.o.b. EEC special sales can be at lower prices but not less than US$1,270 per ton f.o.b. In addition, prices close or even equivalent to the minimum price have been noted for butter in bulk, in particular salted butter. Competition will remain keen in coming months.

[1] See table on page 2.

Anhydrous Milk Fat

76. It should be noted that several participants do not keep separate statistics on anhydrous milk fat. The figures are not identifiable and may be included in the statistics on butter. Nevertheless, a few participants have furnished separate statistics on this product.

Production (see Table 17)

77. In the EEC, output of anhydrous milk fat is estimated at 200,000 tons in 1983, up 8.1 per cent from the previous year's level. In the first six months of 1984, production continued to rise though more rapidly. In New Zealand, the second largest producer, output increased sharply in 1983 to reach 25,000 tons as against 5,400 tons in 1982. The increment in production continued, more slowly, in the first half of 1984. In Australia, output rose by 52.2 per cent in 1983 to the level of 13,700 tons. Production in the first half of 1984 was 125 per cent above the level in the corresponding period of 1983.

Trade (see Table 18)

78. In 1983, as in 1981 and 1982, the EEC and New Zealand were the world's principal exporters of anhydrous milk fat. EEC exports, including food aid, are believed to have totalled 121,000 tons in 1983, an increase by 4.3 per cent in relation to 1982. In the first six months of 1984, exports are reported to have increased by 16.7 per cent to the level of 56,000 tons. Exports from New Zealand increased marginally (by about 0.6 per cent) in 1983 and reached 33,600 tons. A pronounced increase was recorded in the first half of 1984.

Food aid

79. Under the 1983 food aid programme, the EEC made available to certain developing countries and certain specialized bodies a quantity of butter or butter oil corresponding to 36,500 tons of butter oil, as against 45,000 tons in 1982. EEC food-aid deliveries of butter oil totalled some 17,000 tons (butter equivalent) in 1983. The principal beneficiaries of the 1983 food aid programme were India, Bangladesh, Egypt and also the World Food Program. The 1984 programme makes provision for 32,760 tons of butter oil. The secretariat has no breakdown of this quantity by beneficiary countries and international agencies. As regards the United States, butter deliveries under Section 416 are planned to total 32,000 tons in fiscal year 1984 (of which 30,000 to Poland), as against 605 tons in the preceding fiscal year. In addition, butter shipments under PL 480 are estimated at 2,000 tons in fiscal year 1984, as against 13,593 tons in the preceding fiscal year. Shipments of butter oil under Section 416 are expected to remain stable in fiscal year 1984 (in the vicinity of 8,000 tons).

Stocks

80. In New Zealand, stocks of anhydrous milk fat declined in 1983 and at 1 January 1984 totalled 8,000 tons, as against 12,000 tons one year earlier. This decline continued during the first six months of this year and at 1 July 1984 stocks were at the level of 4,000 tons, i.e. 1,000 tons less than one year earlier. In Australia, stocks at 1 January 1984 stood at 1,400 tons as against 2,600 tons at 1 January 1983. On 1 July 1984 they had declined to the level of 200 tons.

International prices

81. The minimum price for anhydrous milk fat[1] has been US$1,440 per metric ton f.o.b. since 1 October 1981. International prices of anhydrous milk fat were weakening steadily in 1983 and early 1984 and at the end of the first quarter of 1984 were fluctuating between US$1,700 and US$1,900 per ton f.o.b. They seem to have stabilized in the second quarter at a level between US$1,700 and US$1,800 per ton f.o.b. Some offers have, nevertheless, been made at lower prices. In the third quarter, prices of butter oil seem to have declined to fluctuate between US$1,650 and US$1,750 per ton f.o.b. Sales have nevertheless been reported at a lower price (US$1,550 per ton f.o.b.). For special sales of ghee by the EEC, prices seem to have been between US$1,480 and US$1,490 per ton f.o.b. As regards the outlook, it can be noted that prices of anhydrous milk fat which are affected by the situation in the butter market are also sensitive to competition from vegetable oils, prices of which have recently been declining sharply.

[1] See table on page 2.

Cheese

Production (see Table 19)

82. In 1983, aggregate production of cheese by the countries and group of countries listed in Table 19 increased by 3 per cent to a level around 7,575,000 tons. In 1983, world cheese output appears to have risen slightly more slowly than in 1982, amounting to about 12,350,000 tons, or approximately 2.5 per cent more than in 1982, when the production growth rate had been 2.8 per cent. According to the figures in Table 19, cheese production continued to rise in the first six months of 1984. In the EEC, output in 1983 was rising steadily and is estimated to have reached 3,902,000 tons, an increase by 2.5 per cent in relation to 1982. In the first half of 1984, production is believed to have continued to progress at a more rapid rate. In the United States, despite the increment in stocks, output increased by 5.1 per cent in 1983 and reached 2,165,000 tons. Production continued to develop in the first six months of 1984, though much more slowly, by 0.9 per cent in relation to the corresponding period of 1983. Total cheese production in Canada was 183,000 tons in 1983, an increase by 7.7 per cent in relation to 1982. This uptrend continued in the first six months of 1984. In New Zealand, cheese output dropped back 23.4 per cent in 1983 to the level of 95,500 tons. This decline has been attributed to competition in world markets for cheese. However, following the upsurge in milk production in early 1984, cheese output increased by 53.1 per cent in the first six months of this year. In Australia, output fell by 1.2 per cent in 1983 to the level of 158,300 tons. In 1983/84, however, production increased slightly in relation to 1982/83. In Argentina, production increased by 3.8 per cent in 1983 and reached 248,300 tons. Output in Bulgaria totalled 133,000 tons in 1983, up 12.3 per cent from the previous year's level, but declined by 12.9 per cent in the first half of 1984. In Switzerland, production increased by 0.8 per cent in 1983 to reach 125,900 tons. In the first quarter of 1984, however, production declined somewhat. In Finland, output slipped back by 1.4 per cent to 73,000 tons, and has increased in the first six months of 1984. In Hungary, production increased by 3.7 per cent in 1983 to reach 51,700 tons. Production in Poland increased by 11.6 per cent in 1983, reaching 114,300 tons, and the uptrend continued in the first half of 1984. In Sweden, production increased slightly (by about 0.9 per cent) in 1983 and reached 114,900 tons. The uptrend continued in the first half of 1984. Cheese production in Egypt totalled some 17,000 tons in the first six months of 1983. According to certain reports, cheese production in the USSR increased in 1983 for the second consecutive year.

83. It seems foreseeable that cheese output will increase in 1984 at the same - or a faster - rate as in 1983. In the EEC, production could increase by 3.2 per cent in 1984, as against 2.5 per cent in 1983. According to certain projections, the growth rate of production could thereafter increase by 1.2 per cent in 1985. United States cheese output is expected to decline because of the reduction in milk output. It is estimated at 2,050,000 tons in 1984, as against 2,165,000 tons in 1983. In

New Zealand, output in 1984 could be above the previous year's level. Output in 1983/84 is expected to show a slight increase over 1982/83. In Australia, production could decline slightly in 1983/84. Production in Finland in 1984 is forecast to reach 74,200 tons, up 1,200 tons in relation to 1983. In Sweden and in Switzerland, production in 1984 could continue at the 1983 level. Cheese output in the USSR could continue to develop in 1984.

Trade (see Tables 20, 21 and 22)

84. According to the figures in Table 20, total cheese exports increased marginally in 1983. Thus the international cheese trade, which on the whole had continued active in 1982, tended to slow down in 1983. According to the figures in Table 20, however, exports in the first six months of 1984 seemed to have been very appreciably above their level for the corresponding period of 1983. The EEC, the largest cheese exporter in the world, increased its deliveries by 5.3 per cent in 1983, the principal destinations being Iran, the United States and Switzerland. Exports continued to develop in the first half of 1984. Deliveries by New Zealand increased by 5.2 per cent in 1983, the principal outlets being Japan, the EEC and the United States. This trend became more pronounced in the first six months of 1984, when exports surged by 42 per cent. New Zealand has invoked Article 7:2 of the Protocol which stipulates that the provisions regarding observance of the minimum price shall not apply to exports, in exceptional circumstances, of small quantities of natural unprocessed cheese which would be below normal export quality as a result of deterioration or production faults. Exports under this paragraph at prices below the minimum price totalled some 2,090 tons in 1983 and 2,170 tons in 1984. Australian exports declined by about 17 per cent in 1983, when the principal destinations were Japan and countries of Western Asia. In the first six months of 1984, these exports increased by 9.4 per cent. Australia has invoked the provisions of Article 7:2 of the Protocol and sold certain quantities of cheese under that derogation. Exports from Switzerland declined marginally in 1983 and increased slightly in the first half of 1984. Exports by Finland fell back by 5.9 per cent in 1983 but rallied in the first six months of 1984. United States exports likewise dropped back (by about 6 per cent) in 1983 but remained stable in the first half of 1984. Exports by Bulgaria fell back by 16.4 per cent in 1983, but increased substantially in the first six months of 1984. Austria's exports declined by 5 per cent in 1983 and showed an increase in the first half of 1984. Deliveries by Poland were increasing in 1983 and the first six months of 1984. In addition, it should be noted that in August and October 1983, Poland engaged in two transactions under the provisions of Article 7:2 of the Protocol, involving a total of 1,000 tons of cheese. According to the figures in Table 20, exports by other participants showed varying trends in 1983 and the first half of 1984.

85. Cheese donations by the United States under PL 480 are forecast to be in excess of 2,000 tons in fiscal year 1984, as against 9,924 tons in fiscal year 1983. It is also estimated that donations of cheese under

Section 416 will total 5,000 tons in fiscal year 1984 as against 3,377 tons in fiscal year 1983. Accordingly, total food-aid shipments of cheese will be smaller in fiscal year 1984 than in the preceding fiscal year. It should be noted that Austria, Finland and Switzerland furnish certain quantities of cheese as food aid.

86. On the import side, the United States purchased a total of 130,000 tons of cheese in 1983, or 6.6 per cent more than in 1982. The EEC, New Zealand and Finland were the principal cheese exporters to the United States. Cheese imports in the first six months of 1984 totalled 57,000 tons, as in the corresponding period of 1983. EEC cheese imports are believed to have increased in 1983 to a level close to 100,000 tons, the principal suppliers being Switzerland, Austria and New Zealand. These imports included quantities of Cheddar cheese from Australia and New Zealand in pursuance of an agreement concluded during the multilateral trade negotiations. In the first half of 1984, EEC cheese imports seemed to have increased by 13.5 per cent. Canada's cheese imports, which dropped back 7.6 per cent in 1983, included purchases from the EEC in the amount of some 11,300 tons, in pursuance of an agreement likewise concluded in the context of the multilateral trade negotiations.

87. Among other cheese importers, Japan's purchases were down 4.1 per cent in 1983 from the preceding year's level, the principal origins being New Zealand, the EEC and Australia. In the first six months of 1984, imports were 12.1 per cent above their level in the corresponding period of 1983. In Switzerland, imports rose by 1 per cent in 1983 to reach 20,900 tons; they totalled 10,100 tons in the first six months of 1984, representing a decline by 1.9 per cent as compared with the corresponding period of 1983. According to certain reports, cheese imports by developing countries, which had practically come to a halt in 1983, seem to have resumed in 1984.

88. As regards prospects, cheese exports by the United States (including food aid) could increase slightly in 1984. Exports by the EEC, New Zealand, Switzerland, Australia and Finland could likewise progress. In general, overall exports seem to be rising in 1984.

Consumption (see Table 23)

89. According to the figures in Table 23, apparent consumption of cheese progressed in 1983, most participants having recorded an increase. This trend seems to have continued in the first six months of 1984. World consumption is believed to have continued to rise in 1983, but at a slower rate than in 1982, i.e. approximately 1.9 per cent. Consumption of certain cheese varieties is nevertheless progressing satisfactorily. According to certain reports, world cheese consumption can be expected to develop in 1984 at almost the same rate as in 1983, i.e. close to 2 per cent.

90. In recent years, cheese consumption in the EEC has been developing steadily, inter alia, because of the great variety of cheeses now widely

available. Nevertheless, apparent consumption appears to have progressed more slowly in 1983 than in 1982. In 1984, the growth rate should be higher than in 1983, and consumption is forecast to continue to progress in 1985. Among measures taken to encourage cheese consumption, the Community is pursuing a policy of promoting cheese consumption by school children. In Argentina, Canada, Finland, Norway, Poland, Sweden and Switzerland domestic consumption of cheese progressed in 1983. A further increase is expected in 1984 in most of the countries mentioned. In the United States, domestic consumption is reported to have increased by 3 per cent in 1983 to 2,186,000 tons. It should continue to rise at a more rapid rate and reach 2,315,000 tons in 1984. Domestic donations and commercial consumption are expected to increase in 1984. In order to dispose of surplus stocks, a number of cheese distribution programmes have been undertaken. It has been estimated that in fiscal year 1983, domestic donations amounted to 293,000 tons of cheese as against 149,000 tons in fiscal year 1982. In general domestic donations of dairy products, consisting largely of cheese, are estimated to have amounted to 4 million tons of milk equivalent in 1983 as against 1.1 million tons in 1982. In Australia, cheese consumption increased by 6.4 per cent in 1983 and continued to develop at a more rapid rate in the first six months of 1984. Because of increased promotional activities and relative stability of prices, the Australian market for cheese is currently developing very strongly. Consumption is expected to increase by 9.9 per cent in 1984/85. In New Zealand, cheese consumption has been increasing steadily and rose by about 3 per cent in 1983. A very active sales promotion drive has been launched to promote domestic consumption of cheese still further.

Stocks (see Table 24)

91. At 1 July 1984, cheese stocks in most of the principal producing countries were larger than a year before. The increase in aggregate cheese stocks seems attributable mainly to the stocks held by the United States. Thus, at 1 January 1984 United States stocks totalled 574,000 tons, an increase by 19 per cent over 1 January 1983. At 1 July 1984, stocks totalled 584,000 tons, as against 542,000 tons one year earlier. However, as a result of measures taken to reduce production, increased commercial utilization and extension of domestic donation programmes, total stocks should decline in 1984 to reach 415,000 tons at the end of the year as compared to 574,000 tons at the beginning of 1984. Such a trend could be reflected in lower aggregate stocks at the end of 1984, the first down trend in recent years. In New Zealand, stocks at 1 July 1984 totalled 38,000 tons, i.e. 9.5 per cent below their level one year earlier. Due mainly to increased competition on certain markets, Australia's cheese stocks have increased and totalled 81,600 tons at 1 July 1984 as against 70,100 tons at 1 July 1983. It should be noted that, in the context of action under the Community regulations, the EEC Commission decided on 14 May 1984 to grant aid to private storage at the rate of ECU 2.32 per ton and per day for Emmenthal and Gruyère cheese taken into storage during the period 15 May to 30 September 1984. In making that decision, the Commission took account, inter alia, of price trends and the increase in

stocks of Emmenthal and Gruyère cheese. Similar aid has been granted in respect of Pecorino Romano cheese taken into storage during the period 1 May to 15 November 1984 as well as Kefalotyri and Kasseri cheese taken into storage during the period 15 May to 15 November 1984. In addition, it should be noted that the situation in the Cheddar cheese market is characterized in the Community by high stocks and low price levels.

International prices

92. Since 1 October 1981, the minimum price for cheeses covered by the Protocol[1] has been US$1,000 per metric ton f.o.b. Cheese prices vary considerably according to variety and market. International prices for Cheddar cheese declined appreciably in 1983. Prices, which had been in a bracket between US$1,200 and US$1,500 per ton f.o.b. at the end of 1983, were fluctuating between US$1,200 and US$1,350 per ton f.o.b. toward the end of the first quarter of 1984. Prices of Cheddar cheese seem to have become more stable during the second quarter of 1984, at between US$1,150 and US$1,300 per ton f.o.b., and to have remained relatively stable during the third quarter, fluctuating between US$1,150 and US$1,250 per ton f.o.b. toward the end of September. This slight decline is attributable to appreciation of the United States dollar. Competition continues keen on certain markets. Given the prospect of a reduction in aggregate stocks, however, there seems reason to expect some stabilization in cheese prices in the coming months.

[1] See table on page 2.

Other Dairy Products

Whey in powder or block, or concentrated

93. Varying trends were recorded in output of whey in powder in 1983. While output by the two main producers, the EEC and the United States, continued to rise, it slowed down in most other countries, in particular the other European countries. In the case of the EEC and the United States, growing demand by the food industry and the utilization of whey in certain compound animal feeds appear to be responsible for this increase. In the case of other countries, in particular European, the effects of the reduction in cattle herd may be starting to be felt, given that the decline in production of whey in powder seems to be moving in parallel with smaller use of this product in animal feed.

94. No data are available regarding production in the EEC, and it is therefore not possible to quantify the increase. After having declined by 11.5 per cent in 1982, exports rallied and totalled 54,000 tons, an increase by 17.4 per cent.

95. Finland's output of whey in powder dropped to 20,000 tons in 1983, the lowest level in the past five years, representing a decline by 13 per cent in relation to 1982. The use of whey in powder for animal feed declined by about 26 per cent, and Finland even exported 3,000 tons of this product, in particular to the EEC. In Sweden, the down-turn in production of whey in powder recorded in 1982 continued in 1983, in which year 7,000 tons were produced, i.e. a decline by 14.6 per cent. Output of concentrated whey increased by 3.9 per cent to the level of 29,600 tons. In Norway, production of whey in powder dropped back from 2,300 tons in 1982 to 1,600 tons in 1983. Switzerland's output increased by 7.9 per cent to reach 4,100 tons, while production by Austria slowed down, from 6,100 tons in 1982 to 4,700 tons in 1983. In Hungary, the sharp decline in production recorded in 1981 became still more pronounced in 1982 when the country produced only 100 tons of whey in powder as compared with 1,500 tons in 1980.

96. In the United States, production of whey in powder progressed for the third consecutive year in 1983, reaching 405,000 tons, an increase by 12.9 per cent. Canada's output of this product, which had declined by about 3 per cent in 1981, when it amounted to 54,300 tons, seems to have revived in 1982, a trend which apparently intensified in the first eight months of 1983.

97. Australia's exports of preserved, concentrated or sweetened whey, which amounted to 2,700 tons during 1981/82 season (30 June to 1 July), showed a very substantial increase during the 1982/83 season, reaching the level of 8,400 tons, but dropped back to 2,900 tons in 1983/84.

98. In 1983, Japan imported 14,900 tons of whey in powder or block, or concentrated - an increase by 15.5 per cent in relation to the preceding

year. Canada regained its place as leading supplier of the Japanese market with 10,000 tons or 60 per cent of the market, while the United States, which had been the principal supplier in 1982, exported nothing in 1983.

Concentrated milk

99. World production of condensed and evaporated milk in 1983 is estimated at 4,676,000 tons, a decline by 2.3 per cent in relation to the preceding year; this decline in production seems attributable to generally slacker demand. According to certain indications, slacker demand, and a consequent decline in production, seems to have continued in the first quarter of 1984. This trend is well illustrated by relatively substantial contraction of deliveries by major exporting countries (EEC, Canada).

100. EEC production of concentrated milk in 1982 was 0.6 per cent above the 1981 level, and according to most recent data available reached 1,429,000 tons. In 1983, because of contraction of international demand (concentrated milk output in the Community being mainly intended for export), production declined by about 8 per cent. Indeed, Community exports, which in 1983 represented 74 per cent of international trade, were down by 13 per cent in 1983, reaching 522,000 tons. In 1984, output is likely to show a 1.3 per cent increase, while no increment is expected for 1985 because of the increasing use of skimmed milk powder and butter oil for the manufacture of recombined milk.

101. In Austria, production of concentrated milk declined from 15,500 tons in 1982 to 14,800 tons in 1983. This decline seems contributable to slacker consumption of this product. Production by Switzerland reached 4,300 tons in 1982. Substantial reductions were recorded in imports (by about 40 per cent, i.e. 900 tons) and consumption (approximately 15 to 20 per cent, 4,600 tons). Swedish production of concentrated milk, which had been rising steadily in recent years, dropped back by 10.4 per cent in 1983 to 12,900 tons. This decline in production also seems to correspond to weaker demand. In Hungary, output of concentrated milk, entirely for the domestic market, increased from 2,100 tons in 1981 to 2,200 tons in 1982.

102. In the United States, production of concentrated milk and canned unsweetened milk declined in 1983 for the second consecutive year to the level of 315,000 tons, i.e. 5.5 per cent down. Exports also seem to have declined to a level that could be less than half of the 9,000 tons exported in 1982.

103. In Canada, production of evaporated milk which had fallen sharply in the 1981/82 year, recovered in 1982/83, in particular because of a substantial increase in domestic demand, and reached 177,900 tons. However, a further decline in production was expected for 1983/84, and output is forecast to be around 144,000 tons. The level of Canada's exports confirms the slowdown in international demand. In 1982/83, Canada exported 92,200 tons, a decline by 7 per cent in relation to the preceding

year, and in 1983/84 exports are believed to have dropped back by a further 8 per cent or so, to the level of 84,800 tons. In the first six months of calendar year 1984, Algeria took up about 74 per cent of Canada's exports of evaporated whole milk. Libya and Nigeria were the two other principal markets of destination. In 1984/85, evaporated milk production may be influenced by the historically high levy rate applied to industrial milk. In current circumstances, evaporated milk production may fall. The future of exports is not certain, in view of the continuing weakness - and increased competition - in the international dairy market.

104. In Australia, production of unsweetened condensed, concentrated and evaporated milk totalled 17,222 tons in the period July-December 1983, up 1.7 per cent in relation to the corresponding period of 1982. During that same period, output of condensed, concentrated and evaporated skimmed milk amounted to 10,914 tons, an increase by 6.6 per cent over the corresponding period of 1982. Output of concentrated milk is believed to have rallied in New Zealand. In Japan, production which is entirely intended for the domestic market declined by 6.8 per cent to the level of 69,000 tons. In Argentina, the upward trend recorded in 1982 in concentrated milk production continued in 1983, in which year 7,700 tons were produced, i.e. an increase by 24.2 per cent. Output continued to rise in the early months of 1984. Uruguay's production of "dulce de leche" totalled only 16,000 tons in 1983, 13.5 per cent less than in the previous year, and seems to have been stable during the first half of 1984. In South Africa, output of concentrated milk which had been declining for several years, fell back by a further 7 per cent in 1983 to the level of 31,100 tons.

Casein

105. According to certain estimates, casein production in 1983 in the major producing countries continued the uptrend which had started in 1982, reaching some 230,000 tons, i.e. an increase by nearly 20 per cent. The increase in casein output is the result of weak international demand for skimmed milk powder, larger quantities of liquid skimmed milk having been converted into casein. Despite higher exports in 1983, supply of casein is still too high in relation to demand and stocks are believed to have increased appreciably, resulting in some pressure on prices. Nevertheless, casein production in the major producing countries is expected to decline in 1984, with exports continuing at about the same level and having a positive influence on the level of stocks and, consequently, prices.

106. In 1983, casein production in the EEC increased 18 per cent from the previous year's level, reaching 124,000 tons. Community exports also progressed and totalled 69,000 tons, an increase by 21 per cent. The production increase rate is expected to drop back - to around 6.8 per cent in 1984 and 2.6 per cent in 1985.

107. According to certain sources, production by New Zealand, the second largest world producer of casein, rose in 1983 to around 65,000 tons.

Exports are believed to have remained relatively stable but may have weakened somewhat during the dairy year (June-July).

108. Australia's production totalled 12,780 tons in the period July 1983 to March 1984, representing an increase by 16 per cent in relation to the corresponding period of the preceding year. For the 1983/84 dairy year as a whole, casein output is believed to have reached 13,300 tons and export availabilities - 12,500 tons - were well in excess of disposal possibilities, so that stocks are likely to show an increase. In Argentina, casein production in 1983 was up by 14.6 per cent to the level of 2,500 tons. This production increase was largely taken up by the domestic market, since consumption increased by 70 per cent while exports dropped back by about 42 per cent. Output declined in the first months of 1984. In Uruguay, output increased very steeply in 1982, by 79 per cent, to reach 4,300 tons. Nevertheless, this production increment (which had perhaps been encouraged by a steep rise in exports in 1982) did not find sufficient immediate outlets, since exports dropped back 36 per cent to 1,700 tons while domestic consumption, notwithstanding a steep increase, remained at the relatively modest level of 600 tons. In the first six months of 1984, production and exports remained relatively stable in relation to the same period of the preceding year, while consumption increased appreciably.

109. The United States, the leading world consumer of casein, imported 72,000 tons of the product in 1983, down 10 per cent in relation to the record level of 1982. United States imports of casein are forecast to rally in 1984 and could reach 76,000 tons. In 1983, Japan's imports of casein increased by 4.5 per cent to the level of 23,000 tons. New Zealand and the EEC are traditionally the two major suppliers to the United States and Japanese markets.

110. In Poland, casein production seems to have recovered in 1983 after four years of steady decline. Exports also seem to have increased. Ninety per cent of USSR production is reported to be intended for domestic consumption.

ANNEX

Symbols

The following symbols have been used with the following meanings in the statistical tables:

... not available

\- nil or negligible

( ) provisional figure, subject to revision

NOTES

The statistical tables comprise no data other than those furnished to the secretariat in reply to the questionnaires regarding products covered by the Protocols.

As the figures have been rounded, the annual totals may not correspond exactly to the sum of the quarterly totals. Moreover, where the annual totals have been revised, but not the quarterly figures, larger differences may be noted. In such cases, the data are given in parentheses.

The definition of stocks may differ according to the country or group of countries considered. So far as possible, the definition has been given in the tables concerned.

The data shown in these tables in respect of consumption relate to apparent consumption, i.e.: stocks at beginning of period plus production plus total imports minus total exports plus stocks at end of period. The data on population, used for calculating per capita consumption, are taken from "Population and Vital Statistics Report - 1984 Special Supplement", published by UN in 1984.

TABLE 1

Production of Skimmed Milk Powder

('000 metric tons)

Country	1981	1982	1983	% Variation 1983/82	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/83
					1983	1984	1983	1984	1983	1984	
Argentina	19,3	21,0	17,3	-17,7	4,9	4,3	1,4	...	6,3	...	...
Australia[1]	80,9	81,5	111,3	+36,6	18,9	28,3	10,9	11,3	29,8	39,6	+32,9
Austria	32,5	31,3	36,4	+16,3	5,4	4,8	10,5	7,0	15,9	11,8	-25,7
Bulgaria	...	...	1,5	...	0,2	...	0,5	...	0,7	...	...
Canada	136,7	173,1	121,7	-29,7	26,0	25,3	38,6	42,4	64,6	67,7	+4,7
EEC	2 018,0	1 962,0	(2 222,0)	(+13,3)	574,0	(534,0)	798,0	(700,0)	1 372,0	(1 234,0)	(-10,1)
Finland	56,0	57,0	69,0	+21,1	13,0	8,0	24,0	17,0	37,0	25,0	-32,4
Hungary	34,9	34,4	35,9	+4,4	7,1	6,9	10,3	9,6	17,4	16,5	-5,2
Japan	127,0	131,0	155,0	+18,3	37,0	38,0	42,0	43,0	79,0	81,0	+2,5
New Zealand	198,3	175,2	177,4	+1,3	39,8	61,6	11,5	46,6	51,3	108,2	+110,9
Norway	9,2	11,5	10,7	-6,1	3,8	2,3	3,4	1,8	7,2	4,1	-43,1
Poland	80,7	99,7	131,9	+32,3	23,2	31,8	35,8	40,6	59,0	72,4	+22,7
South Africa	17,0	22,6	24,5	+8,5	7,9	6,9	3,4	3,6	11,3	10,5	-7,1
Sweden	39,9	49,7	52,8	+6,2	14,5	15,0	19,8	21,5	34,3	36,5	6,4
Switzerland	31,7	28,1	30,9	+10,0	7,6	7,7	9,3	11,0	16,9	18,7	+10,7
United States	599,7	639,7	691,0	+8,0	167,0	149,0	205,0	164,0	372,0	313,0	-15,9
Uruguay	2,1	3,8	4,1	+9,5	0,9	0,7	0,9	0,9	1,8	1,6	-12,5

[1] Includes skimmed milk powder, skimmed milk powder and buttermilk powder mixtures and skimmed milk powder modified

TABLE 2

Exports of Skimmed Milk Powder

('000 metric tons)

Country	1981	1982	1983	% Variation 1983/82	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/83
					1983	1984	1983	1984	1983	1984	
Argentina	1,4	7,4	5,9	-20,5	3,6	-	-	-	3,6	-	0,0
Australia[1]	9,2	36,1	55,5	+53,7	13,8	15,9	8,3	12,0	22,1	27,9	+26,2
Austria	19,9	13,3	16,3	+23,0	2,3	2,2	3,8	3,5	6,1	5,7	-7,5
[illegible]	...	...	-	...	-	...	-	...	-	...	...
Canada	61,2	119,0	81,9	-31,2	17,4	12,4	28,4	12,0	45,8	24,4	-46,9
EEC	514,0	358,0	(209,0)	(-41,6)	57,0	(60,6)	59,0	(97,0)	116,0	(157,0)	(+35,3)
Finland	-	-	12,0	-	1,0	4,0	1,0	1,0	2,0	5,0	+150,0
Hungary	2,0	4,0	2,6	-35,0	-	-	0,5	0,3	0,5	0,3	-40,0
Japan	1,2[2]	0,9[2]	-	-100,0	-	-	-	-	-	-	-
New Zealand	147,6	141,3	155,2	+9,8	40,0	41,1	39,3	41,5	79,3	82,6	+4,2
Norway	-	-	4,7	-	0,8	0,3	2,3	0,4	3,7	0,7	-80,6
Poland	6,4	10,8	37,9	+252,2	3,5	6,8	8,2	13,1	11,7	19,9	+70,1
South Africa	-	-	7,6	-	-	2,7	-	3,0	-	5,7	-
Sweden	14,9	18,8	31,3	+66,5	8,4	4,3	10,1	6,1	18,5	10,3	-44,3
Switzerland	3,4	0,9[2]	0,4[2]	-55,6	-	-	-	-	-	-	-
United States	140,0	126,0	234,0	+85,7	45,0	60,0	52,0	53,0	97,0	113,0	+16,5
Uruguay	-	1,3	2,0	+46,7	-	0,6	0,5	0,6	0,5	1,2	+147,6

[1] Includes skimmed milk powder, skimmed milk powder and buttermilk mixtures and skimmed milk powder modified

[2] Food aid

TABLE 3

Exports of Skimmed Milk Powder by Region

('000 metric tons)

EXPORTERS / DESTINATIONS	EEC[1]		NEW ZEALAND		UNITED STATES		CANADA		AUSTRALIA		POLAND		SWEDEN		AUSTRIA		FINLAND		TOTAL	
	1982	1983	1982	1983	1982	1983[3]	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983[2]
WESTERN EUROPE	16 204	15 070	-	1 856	890	454	-	-	-	-	-	9 280	4 400	3 200	198	2 020	-	800	21 692	32 680
EEC	-	-	-	2	890	3	-	-	-	-	-	1 000	-	-	...	...	-	-	890	1 005
Other countries of Western Europe	16 204	15 070	-	1 854	-	451	-	-	-	-	-	8 280	4 400	3 200	...	...	-	800	20 604	29 655
EASTERN EUROPE	776	462	-	-	9 100	21 685	-	-	-	-	-	-	400	-	1 000	200	-	-	11 276	22 347
USSR	39	-	-	-	-	-	-	-	-	-	-	-	-	-	...	...	-	-	39	-
NORTH AMERICA	178	147	-	78	92	171	-	-	-	-	-	-	-	-	-	-	-	-	270	396
United States	4	100	-	62	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	162
Canada	15	22	-	-	92	171	-	-	-	-	-	-	-	-	-	-	-	-	107	193
Other	159	25	-	16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	159	41
SOUTH AMERICA	19 709	16 989	22 229	10 161	6 741	19 253	5 910	11 752	-	-	-		1 400	1 500	2 675	2 590	-	3 500	56 664	65 745
CENTRAL AMERICA	12 459	4 596	12 156	13 382	33 849	94 806	49 870	5 069	-	-	-	-	300	-	...	...	-	100	108 574	117 953
CARIBBEAN	18 698	7 743	1 835	6 529	5 838	5 467	3 900	4 596	-	-	-	-	-	-	...	...	-	1 200	30 271	25 535
AFRICA	120 026	93 447	6 541	14 391	55 173	59 817	18 460	7 717	-	1 300	2 600	13 200	1 900	5 000	2 231	348	-	600	206 931	195 820
South Africa	4 333	963	-	-	-	814	-	-	-	-	-	-	-	-	...	...	-	-	4 333	1 777
Other countries of Africa	115 693	92 484	6 541	14 391	55 173	59 003	18 460	7 717	-	1 300	2 600	13 200	1 900	5 000	...	...	-	600	200 357	193 695
SOUTH AND EAST ASIA	134 708	31 290	35 379	90 672	23 900	32 028	13 920	2 077	26 700	49 200	8 160	15 414	8 800	18 400	3 171	4 927	-	5 800	305 739	249 828
Japan	19 559	2 271	6 859	10 590	-	29	13 920	2 077	16 500	9 000	1 799	8 480	-	1 700	...	...	-	500	60 637	34 147
Other countries of South and East Asia	115 149	29 019	77 520	80 082	23 900	31 998	-	-	10 200	40 200	6 361	6 934	8 800	16 700	...	...	-	5 300	241 930	210 233
WESTERN ASIA	27 258	22 009	10 969	16 234	1 044	486	8 500	10 542	-	-	-	-	-	1 600	3 603	5 453	-	200	51 374	55 524
OCEANIA	19	1	1 174	1 732	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 193	1 733
OTHER DESTINATIONS	1 576	124	-	-	4 646	-	18 500	23 617	9 400	5 000	-	-	500	800	374	762	-	100	34 996	30 403
TOTAL[2]	351 650	191 878	141 283	155 035	141 273	234 167	119 000	65 370	36 100	55 500	10 760	37 994	17 700	30 500	13 252	16 300	-	12 300	831 018	798 944
OIL-EXPORTING COUNTRIES (members of OPEC)	52 819	42 051	42 001	47 898	1 458	8 067	26 960	18 259	3 300	3 500	2 500	13 000	1 700	6 400	...	...	-	800	130 738	139 975

[1] Excluding intra-Community trade

[2] Total includes only figures given

[3] Preliminary data

NOTE: For breakdown of regions of destinations, see page 26 and F...

TABLE 4

Imports of Skimmed Milk Powder

('000 metric tons)

Country	1981	1982	1983	% Variation 1983/1982	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/1983
					1983	1984	1983	1984	1983	1984	
Argentina	-	-	-	-	-	-	-	-	-	-	-
Australia[1]	0,60	0,60	0,80	+33,3	0,20	0,30	0,20	0,10	0,40	0,40	0,0
Austria	...	...	...	...	...	...	...	...	...	...	...
Bulgaria	...	...	-	...	-	...	-	...	-	...	...
Canada	-	-	...	...	...	-	...	-	...	-	-
EEC	-	1,00	-	(-100,0)	-	(-)	-	(-)	-	(-)	(-)
Finland	-	-	-	-	-	-	-	-	-	-	-
Hungary	-	-	-	-	-	-	-	-	-	-	-
Japan	83,00	93,00	93,00	0,0	22,00	23,00	18,00	24,00	40,00	47,00	+17,5
New Zealand	-	-	-	-	-	-	-	-	-	-	-
Norway	-	-	-	-	-	-	-	-	-	-	-
Poland	28,70	8,10	3,50	-56,9	3,50	-	-	-	3,50	-	-
South Africa	2,16	1,62	-	-100,0	-	-	-	-	-	-	-
Sweden	...	0,60	0,90	+50,0	0,40	0,30	0,20	0,30	0,60	0,60	0,0
Switzerland	-	-	-	-	-	-	-	-	-	-	-
United States	-	-	1,00	-	-	-	-	-	-	-	-
Uruguay	-	0,10	-	-100,0	-	-	-	-	-	-	-

[1] Includes skimmed milk powder, skimmed milk powder and buttermilk powder mixtures and skimmed milk powder modified.

TABLE 5

Consumption of Skimmed Milk Powder

Country	1981	1982	1983	Variation 1983/1982	Jan.-Mar.		Apr.-June		1st six months		Variation 1st six months 1984/1983
					1983	1984	1983	1984	1983	1984	
Argentina	17,1	13,8	15,9	+15,4	2,5	4,8	7,5	...	10,0	...	...
Human consumption	...	...	...	...	...	...	...	...	...	...	...
Animal feed	...	...	...	...	...	...	...	...	...	...	...
Australia	50,9	77,5	32,9	-57,5	3,6	5,9	9,5	25,1	13,1	31,0	+136,6
Human consumption	...	...	...		...	...	...	...	...	...	...
Animal feed	...	...	...		...	...	...	...	...	...	...
Austria	21,3	16,2	17,0	+4,9	3,8	1,7	5,7	3,5	9,5	5,2	-44,7
Human consumption	2,1	2,1	2,3	+8,1	0,5	0,5	0,7	0,7	1,2	1,2	+2,2
Animal feed	19,2	14,1	14,7	+4,4	3,4	1,2	5,0	2,8	8,4	4,0	-52,4
Bulgaria	...	...	1,4	...	0,1	...	0,5	...	0,6	...	...
Human consumption	...	...	-	...	-	...	-	...	-	...	...
Animal feed	...	...	1,4	...	0,1	...	0,5	...	0,6	...	...
Canada	48,2	60,7	40,0	-34,1	9,2	12,6	9,1	24,2	18,3	36,8	+100,9
Human consumption	...	...	...	...	...	...	...	...	...	...	...
Animal feed	...	...	...	...	...	...	...	...	...	...	...
EEC	1 455	1 308	(1 606,0)	(+22,8)	445,0	(476,0)	499,0	(628,0)	944,0	(1 104,0)	(+16,9)
Human consumption	211,0	240,0	(220,0)	(-8,3)	58,0	(62,0)	40,0	(86,0)	98,0	(148,0)	(+51,0)
Animal feed	1 244,0	1 068,0	(1 386,0)	(+29,8)	387,0	(414,0)	459,0	(542,0)	846,0	(956,0)	(+13,0)
Finland	60,0	44,0	67,0	+52,3	10,0	7,0	21,0	7,0	31,0	14,0	-54,8
Human consumption	12,0	12,0	12,0	0,0	3,0	3,0	3,0	2,0	6,0	5,0	-16,7
Animal feed	48,0	32,0	55,0	+71,9	7,0	4,0	18,0	5,0	25,0	9,0	-64,0
Hungary	32,8	29,5	33,0	+11,9	7,0	7,0	9,6	7,9	16,6	14,9	-10,2
Human consumption	3,8	4,2	4,2	0,0	0,9	0,9	1,2	1,0	2,1	1,9	-9,5
Animal feed	29,0	25,3	28,8	+13,8	6,1	6,1	8,4	6,9	14,5	13,0	-10,3
Japan	241,0	241,0	263,0	+9,1	59,0	59,0	68,0	67,0	127,0	126,0	-0,8
Human consumption	167,0	171,0	194,0	+13,5	44,0	45,0	55,0	48,0	99,0	93,0	-6,1
Animal feed	74,0	70,0	69,0	-1,5	15,0	14,0	13,0	19,0	28,0	33,0	+17,9
New Zealand	4,1	0,9	-	-100,0	-	-	-	-	-	-	-
Human consumption	...	...	-	...	-	-	-	-	-	-	-
Animal feed	...	...	-	...	-	-	-	-	-	-	-
Norway	7,9	8,4	8,6	+2,3	1,9	2,1	2,3	1,9	4,2	4,0	-4,4
Human consumption	3,8	4,6	4,0	-11,4	0,9	0,9	1,2	1,2	2,1	2,1	+0,1
Animal feed	4,1	3,9	4,6	+13,1	1,0	1,2	1,0	0,7	2,0	1,9	-9,2
Poland	92,6	85,7	94,0	+9,6	25,7	22,7	21,9	25,1	47,6	47,8	+0,5
Human consumption	6,7	24,4	36,9	+51,4	10,9	7,4	8,8	8,4	19,7	15,8	-19,7
Animal feed	19,6	61,-	57,1	-6,9	14,8	15,3	13,1	16,7	27,9	32,0	+14,7
Other uses	56,3	...	...	...	...	...	...	...	...	...	...
South Africa	19,8	12,6	16,6	+32,0	3,6	4,0	3,9	5,0	7,5	9,0	+19,6
Human consumption	...	...	...	...	...	...	...	...	...	...	...
Animal feed	...	...	...	...	...	...	...	...	...	...	...
Sweden	27,7	26,0	30,3	+16,5	7,1	4,8	9,8	8,0	16,9	12,8	-24,3
Human consumption	19,3	17,8	21,2	+19,1	4,5	2,6	7,4	5,1	11,9	7,7	-35,3
Animal feed	8,4	8,2	9,1	+11,0	2,5	2,2	2,3	2,9	4,8	5,1	+4,1
Switzerland	31,-	28,2	27,7	-1,1	7,2	6,8	9,9	8,7	17,1	15,5	-9,4
Human consumption	...	...	...	...	...	...	...	...	...	...	...
Animal feed	...	...	...	...	...	...	...	...	...	...	...
United States	362,0	331,0	406,0	+22,7	111,0	77,0	110,0	111,0	221,0	188,0	-14,9
Human consumption	337,0	304,0	378,0	+24,3	104,0	70,0	103,0	104,0	207,0	174,0	-15,9
Animal feed	25,0	27,0	28,0	+3,7	7,0	7,0	7,0	7,0	14,0	14,0	-
Uruguay	0,5	1,4	3,6	+149,2	0,2	0,2	0,1	0,2	0,3	0,4	+19,3
Human consumption	0,5	1,4	3,6	+149,2	0,2	0,2	0,1	0,2	0,3	0,4	+19,3
Animal feed	-	-	-		-	-	-	-	-	-	-

TABLE 6

Stocks of Skimmed Milk Powder

('000 metric tons)

Country	1.1.1982	1.4.1982	1.7.1982	1.10.1982	1.1.1983	1.4.1983	1.7.1983	1.10.1983	1.1.1984	1.4.1984	1.7.1984
Argentina	9,5	6,2	2,0	2,7	9,2	7,9	1,8	1,2	4,7	4,1	...
Australia[1]	51,1	33,0	9,6	13,9	19,5	21,2	14,5	20,1	43,2	46,0	20,3
Austria[2]	4,8	2,5	4,7	9,7	6,6	6,1	7,1	10,8	7,8	8,7	8,7
Bulgaria	...	...	...	...	0,1	...	...	...	0,1	...	...
Canada	43,4	34,9	52,0	72,8	28,1	27,3	45,1	36,5	26,6	22,2	28,5
EEC[3]	279,0	271,0	396,0	567,0	576,0	648,0	888,0	1 032,0	985,0	981,0[8]	956,0
Finland[4]	11,0	8,0	18,0	26,0	24,0	26,0	28,0	26,0	14,0	11,0	20,0
Hungary	1,0	0,9	1,3	1,7	0,7	0,7	0,3	1,0	0,9	0,8	1,4
Japan[5]	71,0	66,0	59,0	56,0	53,0	53,0	45,0	41,0	38,0	40,0	39,0
New Zealand[6]	148,0	146,0	(114,0)	100,0	149,0	121,0	77,0	76,0	83,0	101,0	75,0
Norway	1,9	2,8	3,5	2,9	4,6	5,9	4,2	2,7	2,4	2,1	1,6
Poland	(12,4)	(6,7)	(11,6)	(19,6)	(23,2)	(19,7)	(18,7)	(25,0)	13,9	8,1	6,7
South Africa	4,2	6,2	6,8	9,6	15,8	20,1	19,6	17,2	16,2	16,4	12,0
Sweden	7,0	9,7	15,5	18,7	12,4	11,7	11,8	8,8	4,5	10,8	18,6
Switzerland	1,7	2,3	1,8	1,9	1,8	2,2	1,6	3,2	4,6	5,5	7,8
United States[7]	404,0	443,0	514,0	563,0	581,0	592,0	636,0	644,0	633,0	645,0	645,0
Uruguay	1,8	2,2	2,9	3,3	2,8	3,5	3,8	3,5	1,4	1,3	1,4

[1] Stocks held by manufacturers (includes skimmed milk powder, skimmed milk powder and buttermilk powder mixtures and skimmed milk powder modified)

[2] Stocks of domestic production

[3] Public intervention stocks

[4] Wholesale stocks for dairies

[5] Stocks held by manufacturers and by the Livestock Industry Promotion Corporation

[6] Export stocks and local market. Government support stocks are nil

[7] CCC stocks

[8] Includes 100,000 tons held by private stockists

TABLE 7

Production of Whole Milk Powder

('000 metric tons)

Country	1981	1982	1983	% Variation 1983/1984	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1983/1984
					1983	1984	1983	1984	1983	1984	
Argentina[1]	44,6	68,8	66,9	-2,9	17,4	16,2	11,2	...	28,6	...	...
Australia[1]	59,7	58,2	43,4	-25,4	8,5	9,3	3,5	3,4	12,0	12,7	+5,8
Austria	24,1	24,2	19,4	-19,6	6,8	7,3	6,0	8,5[7]	12,8	15,8	+23,8
Bulgaria	4,5	4,7[4]	4,3[5]	-8,5	0,7	1,2[6]	2,1	1,7	2,8	2,9	+3,6
Canada[2]	...	...	...	...	...	...	...	...	...	...	...
EEC	675,0	672,0	(604,0)	(-10,1)	153,0	(167,0)	154,0	(199,0)	307,0	(366,0)	(+19,2)
Finland	28,0	28,0	25,0	-10,7	5,0	7,0	10,0	12,0	15,0	19,0	+26,7
Hungary	4,0	3,6	3,4	-5,6	0,7	0,8	1,1	1,3	1,8	2,1	+16,7
Japan	32,0	34,0	36,0	+5,9	9,0	10,0	10,0	8,0	19,0	18,0	-5,3
New Zealand[3]	95,1	131,4	103,8	-21,0	35,9	54,4	6,2	22,4	42,1	76,8	+82,4
Norway	0,8	0,8	1,0	+10,7	0,3	0,4	0,2	0,2	0,5	0,6	+5,5
Poland	37,2	39,4	48,3	+22,5	11,2	11,6	13,8	12,6	25,0	24,2	-3,3
South Africa	13,7	10,9	11,7	+7,8	2,7	3,6	2,6	3,3	5,3	6,9	+28,9
Sweden	5,0	5,2	8,5	+63,5	2,1	1,4	2,7	1,6	4,8	3,0	-37,5
Switzerland	15,6	15,0	16,7	+11,3	4,5	4,4	6,8	5,8	11,3	10,2	-9,7
United States	42,1	46,4	49,0	+5,6	12,0	14,0	12,0	15,0	24,0	29,0	+20,8
Uruguay	0,9	0,8	0,8	-1,4	0,3	0,3	0,1	0,1	0,4	0,4	+8,3

[1] Partly skimmed and cream powder included with skimmed milk powder statistics

[2] As less than three plants are manufacturing whole milk powder in any Canadian province, production statistics are not available, under regulations of the Statistics Act. Whole milk powder production is of minor importance in Canada's dairy industry.

[3] Including infants' food

[4] 2,900 metric tons are partly skimmed milk powder.

[5] 2,300 metric tons are partly skimmed milk powder.

[6] 700 metric tons are partly skimmed milk powder.

[7] 1,000 metric tons are partly skimmed milk powder.

TABLE 8

Exports of Whole Milk Powder

('000 metric tons)

Country	1981	1982	1983	% Variation 1983/1982	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/1983
					1983	1984	1983	1984	1983	1984	
Argentina	6,5	10,3	10,0	-2,9	3,0	1,5	3,6	0,3	6,6	1,8	-73,1
Australia[1]	38,2	41,6	33,6	-19,2	8,4	6,6	9,2	6,8	17,8	13,4	-23,9
Austria	18,6	24,1	14,3	-40,9	3,7	9,0	3,7	6,6	7,4	15,6	+111,7
Bulgaria	-	-	-	-	-	-	-	-	-	-	-
Canada	...	...	...	...	...	...	...	...	...	...	...
EEC	564,0	488,0	(420,0)	(-13,9)	106,0	(113,0)	99,0	(150,0)	204,0	(263,0)	(+28,9)
Finland[2]	28,0	23,0	25,0	+8,7	8,0	9,0	6,0	8,0	14,0	17,0	+21,4
Hungary	-	-	-	-	-	-	-	-	-	-	-
Japan	-	-	-	-	-	-	-	-	-	-	-
New Zealand[3]	73,4	116,8	94,5	-19,1	32,0	34,9	15,6	24,7	48,6	59,5	+22,4
Norway	-	-	-	-	-		-	-	-	-	-
Poland	-	-	-	-	-	-	-	-	-	-	-
South Africa	-	-	-	-	-	0,1	-	-	-	0,1	-
Sweden	-	0,6	3,0	+400,0	-	-	1,5	-	1,5	-	0,0
Switzerland	1,6	0,6	0,4	-33,3	0,1	0,1	0,1	0,1	0,2	0,2	-
United States	3,0	8,0	10,0	+25,0	-	-	2,0	-	2,0	-	0,0
Uruguay	0,5	0,1	0,1	+1,3	-	-	-	-	-	-	-

[1] Partly skimmed and cream powder included with skimmed milk powder statistics

[2] Cream powder is also included in export figures

[3] Including infants' food

TABLE 9

Exports of Whole Milk Powder by Region

('000 metric tons)

DESTINATIONS \ EXPORTERS	EEC		NEW ZEALAND		AUSTRALIA		FINLAND		AUSTRIA		ARGENTINA		UNITED STATES		SWITZERLAND		URUGUAY		TOTAL[2]	
	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983
WESTERN EUROPE	11 524	11 190	1 738	207	-	-	-	1 300	1 688	2 590	-	-	207	194	400	400	-	-	15 557	15 881
EEC	-	-	1 738	207	-	-	-	-	...	...	-	-	207	170	400	400	-	-	345	777
Other countries of W. Europe	11 524	11 190	-	-	-	-	-	1 300	...	...	-	-	-	24	-	-	-	-	11 524	15 104
EASTERN EUROPE	3 544	804	-	-	-	-	-	-	7 805	2 173	-	-	2 791	-	-	-	-	-	14 140	2 977
USSR	25 198	238	23 697	5 201	-	-	23 000	25 100	...	...	-	-	-	-	-	-	-	-	71 895	31 039
NORTH AMERICA	77	163	19	3	-	-	-	-	-	-	-	-	303	176	-	-	-	-	399	342
United States	53	63	19	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	72	66
Canada	-	93	-	-	-	-	-	-	-	-	-	-	286	176	-	-	-	-	286	269
Other	24	7	-	-	-	-	-	-	-	-	-	-	17	-	-	-	-	-	41	7
SOUTH AFRICA	75 730	54 094	23 635	26 340	-	-	-	-	2 000	30	10 269	9 972	524	4 [illegible]	-	-	108	108	112 267	94 640
CENTRAL AMERICA	10 177	11 076	5 935	5 897	-	-	-	-	-	-	-	-	152	63[3]	-	-	-	-	16 264	17 036
CARIBBEAN	19 392	15 665	1 711	3 572	-	-	-	-	-	-	-	-	3 121	3 003	-	-	-	-	24 214	22 240
AFRICA	111 820	98 188	4 375	3 434	-	-	-	100	222	161	-	-	[illegible]	74	-	-	-	2	116 505	101 959
South Africa	3 218	513	-	205	-	-	-	-	...	...	-	-	-	1	-	-	-	-	3 212	719
Other countries of Africa	108 602	97 675	4 375	3 229	-	-	-	100	...	...	-	-	[illegible]	73	-	-	-	2	113 065	101 240
SOUTH AND EAST ASIA	73 160	69 638	47 667	47 403	26 600	24 100	-	-	3 243	151	-	-	1 933	690	-	-	-	-	152 603	141 982
Japan	701	1 030	-	30	-	-	-	-	...	...	-	-	720	294	-	-	-	-	1 421	1 354
Other countries of South and East Asia	72 459	68 608	47 667	47 373	26 600	24 100	-	-	...	...		-	1 213	395	-	-	-	-	147 939	140 628
WESTERN ASIA	127 619	131 558	5 764	1 807	-	-	-	-	8 576	8 103	-	-	141	11	-	-	-	-	142 100	141 479
OCEANIA	-	-	2 259	965	-	-	-	-	-	-	-	-	63	71	-	-	-	-	2 322	1 036
OTHER DESTINATIONS	83	516	-	20	15 000	9 500	-	-	615	1 073	-	-	150	1 423	200	60	-	-	16 048	12 592
TOTAL[2]	458 314	393 646	116 801	94 848	41 600	33 600	23 000	26 500	24 148	14 281	10 269	9 972	9 472	10 000	600	460	108	110	684 307	583 417
OIL-EXPORTING COUNTRIES (members of OPEC)	197 242	160 130	31 859	27 769	2 900	2 000	-	-	...	...	500	500	615	113	-	-	-	-	232 846	190 399

[1] Excluding Intra-Community trade

[2] Total includes only figures given.

[3] This regional total contains an error in respect of exports to Mexico. It is therefore to be considered as an estimate and may be corrected later.

NOTE: For breakdown of regions of destinations, see pages 82 and 83.

TABLE 10

Stocks of Whole Milk Powder

('000 metric tons)

Country	1.1.1982	1.4.1982	1.7.1982	1.10.1982	1.1.1983	1.4.1983	1.7.1983	1.10.1983	1.1.1984	1.4.1984	1.7.1984
Argentina	10,3	11,1	9,2	6,6	9,7	10.3	5,2	4,3	10,1	12,3	...
Australia[1]	24,2	22,1	7,3	12,1	18,1	16,8	7,1	10,3	16,6	15,5	8,5
Austria[2]	5,7	2,4	2,3	1,8	2,5	4,3	4,4	4,0	4,5	1,6	2,7
Bulgaria	0,2	0,2	0,2	0,2	0,1	0,1	0,1	0,1	0,1	0,1	0,1
Canada	...	...	...	...	...	...	...	...	...	...	...
EEC	-	-	-	-	-	-	-	-	-	-	-
Finland[3]	4,0	1,0	5,0	5,0	8,0	4,0	6,0	6,0	6,0	4,0	6,0
Hungary	0,2	0,1	0,1	0,2	0,1	-	0,1	0,2	0,1	0,1	0,2
Japan[4]	4,0	5,0	4,0	3,0	4,0	4,0	4,0	3,0	3,0	5,0	6,0
New Zealand[5]	31,0	56,5	(28,3)	16,0	41,0	28,0	21,0	19,0	32,0	49,0	44,0
Norway	-	-	0,1	-	-	0,1	-	-	-	0,1	-
Poland	(1,9)	(2,2)	(2,3)	(2,8)	(1,8)	(1,6)	(2,0)	(2,8)	1,8	1,9	1,8
South Africa	2,4	3,4	2,7	2,4	3,0	2,8	2,4	1,8	2,1	2,3	2,1
Sweden	-	0,1	0,2	0,5	0,1	1,2	0,6	0,4	0,1	0,2	0,2
Switzerland	0,9	1,8	2,8	1,4	0,6	1,7	1,9	2,5	1,7	1,9	1,9
United States[6]	3,0	3,0	4,0	3,0	3,0	2,0	3,0	2,0	3,0	3,0	4,0
Uruguay	-	0,4	0,4	0,4	0,3	0,5	0,4	0,4	0,3	0,3	0,3

[1] Stocks held by manufacturers. Data on stocks of infants' food powder are not available. Partly skimmed and cream powder with skimmed milk powder statistics.

[2] Stocks of domestic production. Government support stocks are nil.

[3] Wholesale stocks for dairies

[4] Manufacturers' stocks

[5] Export stocks and local market stocks (including infants' food). Government stocks are nil.

[6] CCC stocks

TABLE 11

Production of Butter

('000 metric tons)

Country	1981	1982	1983	% Variation 1983/1982	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/83
					1983	1984	1983	1984	1983	1984	
Argentina	32,3	37,3	33,7	-9,6	10,7	8,3	7,1	...	17,8	...	...
Australia	70,9	72,7	93,3	+28,3	17,1	21,1	6,8	10.5	23,9	31,6	+32,2
Austria	40,6	41,1	44,8	+9,0	10,0	10,1	12,3	10.9	22,3	21,0	-5,3
Bulgaria	19,8	22,5	23,9	+6,2	5,7	5.6	7,6	6.2	13,3	11,8	-11,3
Canada[1]	113,3	122,7	103,1	-16,0	23,7	24,3	30,8	33,1	54,5	57,4	+5,4
EEC	1 801,0	1 953,0	(2 183,0)	(+11,8)	530,0	(540,0)	704,0	(669,0)	1 234,0	(1 209,0)	(-2,0)
Finland	72,0	69,0	84,0	+21,7	18,0	17,0	25,0	22,0	43,0	39,0	-9,3
Hungary	32,3	31,2	31,9	+2,2	7,3	7,6	8,7	9,0	16,0	16,6	+3,8
Japan[2]	64,0	64,0	74,0	+15,6	18,0	20,0	20,0	22,0	38,0	42,0	+10,5
New Zealand	217,6	239,5	238,4	-0,5	73,1	79,5	17,3	40,4	90,4	119,9	+32,6
Norway	23,0	24,5	26,8	+9,4	7,7	7,5	8,1	7,0	15,8	14,5	-8,5
Poland	221,8	224,4	260,7	+16,2	41,9	50,0	66,9	78,5	108,8	128,5	+18,2
Romania	36,2	...	...	...	...	...	...	...	...	...	...
South Africa	15,0	17,4	18,5	+6,0	5,4	4,9	3,1	3,4	8,5	8,3	-2,4
Sweden[3]	40,7	44,6	45,1	+1,1	12,1	12,9	15,3	15,3	27,4	28,2	+2,9
Switzerland[4]	34,7	30,8	33,3	+8,1	8,0	8,3	9,3	10,7	17,3	19,0	+9,8
United States	557,1	570,1	593,0	+4,0	173,0	159,0	162,0	133,0	335,0	292,0	-12,8
Uruguay	8,0	8,5	12,4	+46,9	2,7	3,7	2,8	1,8	5,5	5,5	+0,2

[1] Creamery butter only, excluding whey butter

[2] Including anhydrous milk fat

[3] Excluding "Bregott", converted to butter in 1981, 18,000 tons; in 1982, 20,500 tons and in 1983, 22,600 tons; in January-March 1984, 5,500 tons; in April-June 1984, 6,000 tons.

[4] Including resolidified butter

TABLE 12

Exports of Butter

('000 metric tons)

Country	1981	1982	1983	% Variation 1983/1982	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/83
					1983	1984	1983	1984	1983	1984	
Argentina	-	5,0	7,4	+47,4	5,7	0,2	1,2	0,6	6,9	0,8	-88,6
Australia	5,2	7,3	8,3	+13,7	1,9	13,2	2,2	5,4	4,1	18,6	+353,7
Austria	2,5	1,3	5,3	+294,7	1,3	2,6	0,3	0,4	1,6	3,0	+90,5
Bulgaria	-	-	-	-	-	-	-	-	-	-	-
Canada[1]	0,1	-	4,1	-	-	0,1	2,0	-	2,0	0,1	-95,7
EEC	288,0	248,0	(215,0)	(-13,3)	53,0	(59,0)	48,0	(45,0)	101,0	(104,0)	(+3,0)
Finland	15,0	8,0	26,0	+225,0	5,0	11,0	4,0	2,0	9,0	13,0	+44,4
Hungary	12,7	6,8	11,4	+67,8	4,2	0,2	2,5	1,3	6,7	1,5	-77,6
Japan	-	-	-	-	-	-	-	-	-	-	-
New Zealand	168,0	206,2	147,6	-28,4	50,4	36,1	19,2	41,3	69,6	77,4	+11,2
Norway	2,8	3,6	7,3	+102,9	2,7	2,2	2,5	1,6	5,2	3,8	-26,5
Poland	-	-	5,0	-	-	-	0,4	1,7	0,4	1,7	+334,8
Romania	0,6	...	...	...	...	...	...	...	...	...	...
South Africa	1,2	1,4	0,6	-52,4	0,1	0,1	0,2	0,1	0,3	0,2	-20,8
Sweden	10,0	13,6	14,0	+2,9	4,4	3,7	6,2	6,6	10,6	10,3	-2,8
Switzerland	-	-	-	-	-	-	-	-	-	-	-
United States	54,0	68,0	34,0	-50,0	8,0	7,0	11,0	15,0	19,0	22,0	+15,8
Uruguay	4,8	3,8	9,2	+144,0	3,8	-	2,1	-	4,9	-	-

[1] Creamery butter only, excludes whey butter

TABLE 13

Exports of Butter by Region

('000 metric tons)

EXPORTERS / DESTINATIONS	EEC[1]		NEW ZEALAND		UNITED STATES		FINLAND		SWEDEN		HUNGARY		AUSTRALIA		URUGUAY		ARGENTINA		TOTAL[2]	
	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983
WESTERN EUROPE	19 465	17 373	103 945	89 584	15 107	9 390	1 000	3 300	7 900	4 400	1 900	210	-	300	-	-	1 745	1 495	151 062	126 052
EEC[1]	-	-	103 671	89 282	15 105	9 390	1 000	1 300	2 700	900	100	210	-	300	-	-	-	150	122 576	101 532
Other countries of Western Europe	19 465	17 373	274	302	2	-	-	2 000	5 200	3 500	1 800	-	-	-	-	-	1 745	1 345	28 486	24 520
EASTERN EUROPE	40 027	6 789	-	.	13 347	13 426	1 000	1 500	-	-	-	-	-	-	-	-	-	-	54 374	21 715
USSR	140	39 719	78 668	22 842	-	.	6 000	12 700	5 400	10 000	4 900	3 610	-	-	3 211	3 665	-	2 000	98 319	94 536
NORTH AMERICA	411	241	204	738	387	120	-	-	-	-	-	-	-	-	-	-	10	42	1 012	1 141
United States	154	111	188	412	-	-	-	-	-	-	-	-	-	-	-	-	10	42	352	565
Canada	6	69	16	33	366	120	-	-	-	-	-	-	-	-	-	-	-	-	388	153
Other	251	61	-	293	21	-	-	-	-	-	-	-	-	-	-	-	-	-	272	423
SOUTH AMERICA	5 749	780	72	53	1	95	-	-	-	-	-	-	-	-	543	344	1 258	1 852	7 623	3 124
CENTRAL AMERICA	679	316	229	22	36	616	-	-	-	-	-	-	-	-	-	-	-	-	944	954
CARIBBEAN	38 271	27 461	2 607	1 329	176	162	-	-	-	-	-	-	-	-	-	-	14	-	41 068	29 002
AFRICA	70 473	53 755	176	330	1	2 953	-	1 000	-	-	-	-	-	-	-	-	2 000	2 015	72 650	60 053
South Africa	2 028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 028	-
Other countries of Africa	68 445	53 755	176	330	1	2 953	-	1 000	-	-	-	-	-	-	-	-	2 000	2 015	70 622	60 053
SOUTH AND EAST ASIA	9 601	2 778	8 966	5 168	18	43	-	-	200	-	-	-	2 700	2 500	-	-	-	-	21 485	10 489
Japan	481	117	2 149	171	4	1	-	-	-	-	-	-	900	-	-	-	-	-	3 534	289
Other countries of S. and E. Asia	9 120	2 661	6 817	4 997	14	42	-	-	-	-	-	-	1 800	2 500	-	-	-	-	17 751	10 200
WESTERN ASIA	73 155	69 251	7 321	23 358	14	-	-	7 700	-	-	-	7 600	2 000	2 200	-	5 150	-	5	82 390	107 564
OCEANIA	2	46	2 259	2 943	33 560	1 635	-	-	-	-	-	-	-	-	-	-	-	-	37 676	4 624
OTHER DESTINATIONS	446	968	-	8	35	5 560	-	-	400	-	-	-	2 600	3 300	-	-	-	-	3 481	9 836
TOTAL[2]	258 424	219 477	206 197	146 424	62 682	34 000	8 000	36 200	12 900	14 400	6 800	11 420	7 300	8 300	3 754	9 159	5 027	7 409	572 084	476 889
OIL-EXPORTING COUNTRIES (members of OPEC)	99 491	91 873	7 797	22 998	15	...	-	6 300	-	-	-	2 400	900	2 000	-	-	-	5	108 203	125 576

[1] Excluding Intra-Community trade

[2] Total includes only figures given

NOTE: For breakdown of regions of destinations, see pages 82 and 83

TABLE 14

Imports of Butter

('000 metric tons)

Country	1981	1982	1983	% Variation 1983/1982	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/1983
					1983	1984	1983	1984	1983	1984	
Argentina	2,5	0,4	0,2	-51,2	-	0,2	-	-	-	0,2	-
Australia	1,0	-	-	-	-	-	-	-	-	-	-
Austria	1,8	0,6	0,6	-3,5	0,1	0,4	0,2	0,6	0,3	1,0	+228,1
Bulgaria	1,0	-	-	-	-	-	-	-	-	-	-
Canada	-	-	-	-	-	-	-	-	-	-	-
EEC	108,0.	118,0	(99,0)	(-16,1)	22,0	(18,0)	18,0	(21,0)	40,0	(39,0)	(-2,5)
Finland	-	-	-	-	-	-	-	-	-	-	-
Hungary	9,3	2,7	7,6	+181,5	3,9	-	1,7	-	5,6	-	0,0
Japan	2,0	5,0	2,0	-60,0	-	-	-	-	-	-	-
New Zealand	11,6	6,1	6,9	+13,1	-	-	6,9	-	6,9	-	0,0
Norway	-	-	-	-	-	-	-	-	-	-	-
Poland	69,1	25,0	2,5	-90,0	2,5	2,5	-	2,5	2,5	5,0	+99,6
Romania	39,5	...	...	...	...	...	...	...	...	...	...
South Africa	1,6	2,4	-	-100,0	-	-	-	-	-	-	-
Sweden	0,1	-	0,1	-	-	-	-	-	-	-	-
Switzerland[1]	12,3	15,3	11,9	-22,2	2,3	1,8	2,5	2,4	4,8	4,2	-12,5
United States	1,0	1,0	1,0	-	-	-	-	-	-	-	-
Uruguay	-	-	-	-	-	-	-	-	-	-	-

[1] Including resolidified butter

TABLE 15

Butter Consumption

(Total consumption: '000 metric tons)
(Per capita consumption: kg)

Country	1981	1982	1983	% Variation 1983/1982	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/1983
					1983	1984	1983	1984	1983	1984	
Argentina	31,8	31,7	29,8	-5,8	6,5	6,7	8,4	...	14,9	...	...
per capita	1,13	1,09	1,01	-7,3							
Australia	58,9	63,8	60,7	-4,9	11,8	12,5	15,2	22,8	27,0	35,3	+30,7
per capita	3,95	4,20	3,96	-5,7							
Austria	38,0	36,9	37,3	+1,2	8,0	7,6	10,0	9,9	18,0	17,5	-3,0
per capita	5,10	4,87	4,94	+1,4							
Bulgaria	20,2	22,1	22,6	+2,3	5,4	4,9	5,4	6,7	10,8	11,6	+7,4
per capita	2,50	2,43	2,53	+4,1							
Canada	108,2	105,6	111,9	+6,0	25,4	26,5	26,8	23,8	52,2	50,3	-3,7
per capita	4,45	4,29	4,49	+4,7							
EEC	1 713,0	1 664,0	(1 520,0)	(-8,7)	465,0	(445,0)	366,0	(406,0)	831,0	(851,0)	(+2,4)
per capita	6,55	6,12	(5,60)	(-8,5)							
Finland	59,0	59,0	59,0	0,0	12,0	10,0	10,0	13,0	22,0	23,0	+4,5
per capita	12,29	12,23	12,13	-0,8							
Hungary	27,4	26,9	27,8	+3,3	6,9	6,0	7,9	8,3	14,8	14,3	-3,4
per capita	2,56	2,51	2,60	+3,6							
Japan	73,0	76,0	74,0	-2,6	15,0	16,0	18,0	17,0	33,0	33,0	0,0
per capita	0,62	0,64	0,62	-3,1							
New Zealand	41,0	39,8	41,2	+3,5	10,1	10,0	10,2	9,5	20,3	19,5	-3,9
per capita	13,10	12,60	12,86	+2,1							
Norway	19,2	19,7	19,2	-1,9	4,4	4,4	5,5	6,0	9,9	10,4	+5,0
per capita	4,68	4,79	4,65	-2,9							
Poland	279,0	225,9	266,4	+17,9	58,0	53,9	64,3	71,9	122,3	125,8	+2,8
per capita	7,00	6,24	7,28	+16,7							
Romania	69,0	...	...	...	...	...	...	...	...	...	...
per capita	3,09	...	...	...							
South Africa	17,3	16,0	17,4	+8,6	3,6	3,9	5,6	5,3	9,2	9,2	-0,5
per capita	0,57	0,53	0,56	+5,7							
Sweden	30,5	29,8	30,8	+3,4	6,9	7,1	6,8	6,7	13,7	13,8	+0,7
per capita	3,67	3,58	3,70	+3,4							
Switzerland	45,8	45,4	45,0	-0,9	11,1	10,7	11,9	11,7	23,0	22,4	-2,6
per capita	7,12	7,16	6,92	-3,4							
United States	451,0	487,0	545,0	+11,9	135,0	139,0	126,0	124,0	261,0	263,0	+0,8
per capita	1,96	2,10	2,33	+11,0							
Uruguay	3,0	2,5	7,0	+183,3	1,4	0,8	0,8	1,0	2,2	1,8	-18,3
per capita	1,02	0,85	2,36	+177,6							

TABLE 16

Stocks of Butter

('000 metric tons)

	1.1.1982	1.4.1982	1.7.1982	1.10.1982	1.1.1983	1.4.1983	1.7.1983	1.10.1983	1.1.1984	1.4.1984	1.7.1984
Argentina	8,4	10,8	9,3	7,7	9,4	8,0	5,5	2,7	6,1	7,8	...
Australia[1]	28,1	28,1	14,1	16,1	29,9	33,3	22,5	29,0	54,0	49,4	31,7
Austria[2]	1,5	2,2	1,9	3,7	2,9	3,0	4,4	4,2	3,2	2,9	3,1
Bulgaria	1,3	0,8	1,8	2,4	1,8	2,0	2,3	2,4	1,5	1,4	2,8
Canada[3]	19,7	20,3	31,4	39,1	37,0	35,2	37,2	32,8	24,0	21,8	31,1
EEC[4]	147,0	40,0	219,0	395,0	305,0	340,0	648,0	857,0	853,0	907,0	1 146,0
Finland[5]	8,0	6,0	10,0	14,0	10,0	11,0	22,0	24,0	9,0	5,0	12,0
Hungary	2,8	3,6	4,9	3,2	2,3	2,4	2,4	2,7	2,6	2,0	3,4
Japan[7]	15,0	19,0	17,0	17,0	12,0	15,0	17,0	20,0	14,0	18,0	23,0
New Zealand[6]	42,0	36,0	27,0	17,0	28,0	31,0	21,0	29,0	29,0	62,3	75,0
Norway	2,0	4,0	4,4	2,6	3,7	3,6	3,5	3,6	3,1	4,3	3,9
Poland	(15,7)	(15,0)	(21,8)	(44,3)	(41,7)	(30,9)	(25,9)	(31,0)	26,7	25,1	29,7
Romania	6,0	0,9	1,4	...	...	...	...	...	...	...	...
South Africa	1,7	1,9	0,9	2,4	4,2	5,8	3,0	3,4	4,6	5,4	3,4
Sweden	2,0	3,4	5,1	3,6	3,2	4,0	6,2	4,1	3,5	5,6	7,6
Switzerland[8]	3,6	3,2	3,9	5,8	4,3	3,5	3,4	5,0	4,5	3,9	5,3
United States	195,0	203,0	(216,0)	231,0	212,0	242,0	297,0	252,0	227,0	240,0	234,0
Uruguay	2,6	0,9	1,5	2,4	4,3	2,3	3,2	4,8	1,1	4,0	4,8

[1] Stocks held by manufacturers

[2] Stocks of domestic production

[3] Total stocks (Canadian Dairy Commission). Creamery butter only, excludes whey butter

[4] Public intervention stocks and quantities under contract of private stocks

[5] Wholesale stocks for dairies

[6] Export stocks and local market stocks. Government support stocks are nil.

[7] Stocks held by manufacturers and by the Livestock Industry Promotion Corporation.

[8] Stocks held by manufacturers. Includes resolidified butter.

TABLE 17

Production of Anhydrous Milk Fat

('000 metric tons)

Country	1981	1982	1983	% Variation 1983/1982	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/1983
					1983	1984	1983	1984	1983	1984	
Australia	8,7	9,0	13,7	+52,2	2,9	4,0	2,3	7,7	5,2	11,7	+125,0
EEC	(262,0)	185,0	(200,0)	(+8,1)	39,0	(57,0)	50,0	(52,0)	89,0	(109,0)	(+22,5)
New Zealand	24,2	6,4	25,0	+363,0	2,4	4,6	1,5	2,5	3,9	7,1	+82,1
Sweden	3,4	3,6	4,2	+16,7	0,9	0,9	1,4	1,2	2,3	2,1	-8,7
Switzerland	2,7	3,1	3,2	+3,2	0,8	0,8	0,9	0,8	1,7	1,6	-5,9
Uruguay	-	0,2	0,2	-34,7	0,2	-	-	-	0,2	-	-

TABLE 18

Exports of Anhydrous Milk Fat

('000 metric tons)

Country	1981	1982	1983	% Variation 1983/1982	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/1983
					1983	1984	1983	1984	1983	1984	
Australia	2,2	2,8	5,9	+110,7	2,0	2,6	1,5	2,3	3,5	4,9	40,0
EEC	165,0	116,0	(+121,0)	(+4,3)	21,0	(27,0)	27,0	(29,0)	48,0	56,0	(+16,7)
New Zealand	42,8	33,4	33,6	+0,6	9,3	9,6	6,4	10,2	15,7	19,8	+26,1
Sweden	0,3	-	0,4	-	-	-	0,3	-	0,3	-	0,0
Uruguay	-	0,1	-	-94,6	-	-	-	-	-	-	-

TABLE 19

Production of Cheeses

('000 metric tons)

Country	1981	1982	1983	% Variations 1983/1982	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/1983
					1983	1984	1983	1984	1983	1984	
Argentina	239,6	239,2	248,3	+3,8	62,6	50,4	57,9	...	120,5	...	...
Australia	141,4	160,2	158,3	-1,2	34,4	36,7	20,6	22,4	55,0	59,1	+7,5
Austria	78,3	81,7	80,6	-1,3	20,0	20,6	21,2	22,0	41,2	42,6	+3,2
Bulgaria	109,1	118,4	133,0	+12,3	27,2	27,4	51,3	41,0	78,5	68,4	-12,9
Canada	174,1	169,9	183,0	+7,7	42,2	46,4	46,8	47,2	89,0	93,6	+5,2
EEC	3 783,0	3 806,0	(3 902,0)	(+2,5)	987,0	(1 054,0)	1 106,0	(1 149,0)	2 093,0	2 203,0	(+5,3)
Finland	72,2	74,0	73,0	-1,4	17,0	17,0	17,0	20,0	34,0	37,0	+8,8
Hungary	48,1	50,0	51,7	+3,4	12,1	12,5	12,8	13,8	24,9	26,3	+5,6
Japan[1]	10,0	12,0	16,0	+23,1	4,0	4,0	4,0	4,0	8,0	8,0	0,0
New Zealand	96,1	124,7	95,5	-23,4	34,6	38,8	5,1	22,0	39,7	60,8	+53,1
Norway[2]	70,0	71,6	63,9	-10,8	17,0	16,9	18,4	18,6	35,4	35,5	+0,3
Poland[3]	88,5	102,4	114,3	+11,6	25,2	28,8	23,6	27,6	48,8	56,4	+15,6
Romania	...	...	...	...	...	...	...	...	...	...	...
South Africa	35,0	37,1	34,7	-6,5	7,8	9,3	7,5	6,7	15,3	16,0	+4,7
Sweden	108,4	113,9	114,9	+0,9	28,1	28,8	28,9	28,8	57,0	57,6	+1,1
Switzerland[4]	121,3	124,9	125,9	+0,8	27,6	26,5	34,9	...	62,5	...	...
United States	1 940,1	2 059,2	2 165,0	+5,1	519,0	530,0	578,0	577,0	1 097,0	1 107,0	+0,9
Uruguay	15,0	10,0	10,0	+0,4	2,9	2,7	1,8	2,2	4,7	4,9	+4,8

[1] Estimates by the Japanese Ministry of Agriculture, Forestry and Fisheries

[2] Natural cheeses

[3] Ripening cheeses only. Production figures for 1982 also include processed cheeses.

[4] Excluding processed cheese. Quarter figures are estimated.

TABLE 20

Exports of Cheeses

('000 metric tons)

Country	1981	1982	1983	% Variation 1983/1982	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/1983
					1983	1984	1983	1984	1983	1984	
Argentina	2,3	7,1	6,9	-3,2	2,0	1,3	1,9	1,9	3,9	3,2	-17,3
Australia	49,8	63,2	52,5	-16,9	11,3	11,4	12,1	14,2	23,4	25,6	+9,4
Austria	42,9	43,0	40,9	-5,0	9,3	9,6	9,0	11,0	18,3	20,6	+12,2
Bulgaria	15,0	14,0	11,7	-16,4	0,6	1,6	2,0	4,8	2,6	6,4	+146,2
Canada	4,4	5,0	4,6	-8,0	(0,6)	0,5	(1,3)	1,9	1,9	2,4	+25,6
EEC	361,0	375,0	(395,0)	(+5,3)	102,0	(111,0)	86,0	(105,0)	188,0	(216,0)	(+14,9)
Finland	38,0	34,0	32,0	-5,9	8,0	9,0	7,0	10,0	16,0	19,0	+26,7
Hungary	9,0	7,9	10,0	+25,9	1,8	1,5	1,5	2,2	3,3	3,7	+11,7
Japan	-	-	-	-	-	-	-	-	-	-	-
New Zealand	91,2	78,5	82,6	+5,2	15,2	23,9	17,4	22,4	32,6	46,3	+42,0
Norway[1]	21,2	20,0	20,6	+3,6	5,0	3,7	4,1	4,9	9,1	8,6	-5,3
Poland	1,3	0,8	1,9	+137,5	0,1	0,2	0,4	0,3	0,5	0,5	-6,2
Romania	3,5	...	...	...	...	...	...	...	...	...	...
South Africa	0,2	0,3	0,2	-32,7	-	-	0,1	-	0,1	-	0,0
Sweden	5,1	6,7	5,4	-19,4	1,7	1,3	0,9	1,5	2,6	2,8	+7,7
Switzerland	64,8	61,3	61,0	-0,5	14,1	14,2	13,9	14,7	28,0	28,9	+3,2
United States	5,0	18,0	17,0	-5,6	5,0	5,0	3,0	3,0	8,0	8,0	0,0
Uruguay	4,1	1,7	2,7	+57,4	0,7	0,4	0,5	0,9	1,2	1,3	+3,9

[1] Including natural whey cheeses and processed cheeses

TABLE 21

Exports of Cheeses by Region

(metric tons)

EXPORTERS / DESTINATIONS	EEC[1]		NEW ZEALAND		SWITZERLAND		AUSTRALIA		FINLAND		UNITED STATES		BULGARIA		HUNGARY		ARGENTINA		TOTAL[2]	
	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983
WESTERN EUROPE	52 279	61 552	14 989	18 966	50 200	48 900	-	-	11 000	12 800	388	47	2 900	3 020	1 200	930	460	342	133 416	146 957
EEC	-	-	14 387	17 098	50 200	48 900	-	-	8 000	10 400	388	47	2 900	3 020	-	120	338	318	77 413	79 903
Other countries of Western Europe	52 279	61 552	598	1 868	-	-	-	-	3 000	2 400	-	-	-	-	-	810	122	24	55 999	66 654
EASTERN EUROPE	4 181	2 263	-	-	-	-	-	-	-	100	12 302	6 543	-	-	-	-	-	-	16 483	8 906
USSR	11	118	-	-	-	-	-	-	6 000	2 900	-	-	-	-	-	-	-	-	6 011	3 018
NORTH AMERICA	66 001	66 738	20 739	16 760	5 100	5 800	-	3 800	11 000	11 900	3 363	3 439	700	800	-	300	5 439	6 261	110 352	113 798
United States	54 212	55 331	19 587	15 056	5 100	5 800	-	3 800	11 000	11 600	-	-	700	800	-	300	5 172	5 958	95 781	98 645
Canada	11 347	11 293	1 152	1 515	-	-	-	-	-	300	3 208	3 319	-	-	-	-	267	303	13 974	14 730
Other	442	114	-	189	-	-	-	-	-	-	155	120	-	-	-	-	-	-	597	423
SOUTH AMERICA	15 600	5 822	532	500	-	-	-	-	1 600	200	592	748	-	-	-	-	634	272	18 348	7 292
CENTRAL AMERICA	2 043	2 206	1 109	1 008	-	-	-	-	-	100	688	4 422	-	-	-	-	381	6	4 221	7 742
CARIBBEAN	15 482	12 585	1 906	2 256	-	-	-	-	-	100	669	671	-	-	-	-	78	-	18 135	15 612
AFRICA	55 834	73 450	204	3 589	-	-	-	-	-	1 500	79	3 967	-	-	-	-	45	47	56 162	80 953
South Africa	714	1 052	-	2	-	-	-	-	-	-	49	124	-	-	-	-	27	12	820	1 190
Other countries of Africa	55 080	72 398	204	3 587	-	-	-	-	-	1 500	30	3 843	-	-	-	-	18	35	55 342	79 763
SOUTH AND EAST ASIA	28 078	28 775	26 982	28 987	-	-	21 300	17 800	-	200	1 320	1 292	-	-	-	-	-	-	77 680	76 979
Japan	26 432	26 632	23 876	26 092	-	-	21 300	14 700	-	200	966	854	-	-	-	-	-	-	72 594	68 478
Other countries of South and East Asia	1 646	2 143	3 106	2 895	-	-	-	3 100	-	-	334	363	-	-	-	-	-	-	5 086	8 501
WESTERN ASIA	130 117	139 843	5 408	4 236	-	-	22 300	19 200	2 000	3 500	290	356	2 500	4 140	3 000	6 330	-	-	170 615	177 605
OCEANIA	9 180	10 415	6 633	6 600	-	-	-		-	200	29	36	500	450	-	-	78	11	16 426	17 712
OTHER DESTINATIONS	720	1 350	-	7	6 000	6 300	19 500	11 700	3 000	-	249	-	2 100	3 290	3 700	2 390	-	-	35 269	25 037
TOTAL[3]	379 526	405 117	78 518	82 709	61 300	61 000	63 100	52 500	34 000	33 500	17 959	17 446	13 700	11 700	7 900	9 950	7 115	6 809	663 118	680 812
OIL-EXPORTING COUNTRIES (members of OPEC)	147 997	147 919	6 213	7 518	-	-	22 300	19 200	1 000	600	711	434	6 000	4 140	3 000	5 100	401	-	187 622	186 011

[1] Excluding intra-Community trade

[2] Total includes only figures given

NOTE: For breakdown of regions of destination, see pages 82 and 83

TABLE 22

Imports of Cheeses

('000 metric tons)

Country	1981	1982	1983	% Variation 1983/1982	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/1983
					1983	198	1983	1984	1983	1984	
Argentina	6,0	0,2	0,9	+401,2	-	-	0,1	0,6	0,1	0,6	+5,2
Australia	14,1	18,7	20,2	+8,0	4,1	5,3	5,1	6,0	9,2	11,3	+22,8
Austria	9,6	7,3	7,4	+1,9	1,9	1,7	2,0	1,9	3,9	3,6	-6,6
Bulgaria	-	-	-	-	-	-	-	-	-	-	-
Canada	19,0	21,0	19,4	-7,6	4,1	7,7	4,7	5,2	8,8	12,9	+47,1
EEC.	101,0	95,0	(85,0)	(-10,5)	20,0	(20,0)	17,0	(22,0)	37,0	42,0	(+13,5)
Finland	-	-	1,0	-	-	-	-	-	-	-	-
Hungary	-	0,6	-	-100,0	-	-	-	-	-	-	-
Japan	71,0	74,0	71,0	-4,1	15,0	18,0	18,0	19,0	33,0	37,0	+12,1
New Zealand	0,4	0,2 [2/]	...	...	-	-	-	-	-	-	-
Norway [1]	1,2	1,3	1,9	+48,9	0,4	0,6	0,5	0,4	0,9	1,0	+11,5
Poland	3,8	7,3	5,1	-30,2	1,7	0,4	0,2	0,2	1,9	0,6	-73,0
Romania	2,7	...	...	...	...	...	...	...	...	...	...
South Africa	-	-	-	-	-	-	-	-	-	-	-
Sweden	16,3	14,3	13,0	-9,1	2,6	2,4	2,9	3,3	5,5	5,7	+3,6
Switzerland	20,3	20,7	20,9	+1,0	5,0	5,0	5,3	5,1	10,3	10,1	-1,9
United States	112,0	122,0	130,0	+6,6	29,0	26,0	28,0	31,0	57,0	57,0	-
Uruguay	0,1	0,1	-	-71,9	-	-	-	...	-	...	...

[1] Including natural whey cheeses and processed cheeses

[2] Gross weight

TABLE 23

Cheese Consumption

(Total consumption: '000 metric tons)
(Per capita consumption: kg.)

Country	1981	1982	1983	% Variation 1983/1982	Jan.-Mar.		Apr.-June		1st six months		% Variation 1st six months 1984/1983
					1983	1984	1983	1984	1983	1984	
Argentina	241.6	233.1	241.7	+3.7	60.6	52.1	60.2	...	120.8	...	...
per capita	8.60	7.99	8.16	+2.1							
Australia	104.3	103.3	109.9	+6.4	28.7	32.1	25.8	31.9	54.5	64.0	+17.4
per capita	6.99	6.81	7.17	+5.3							
Austria	34.6	34.6	34.3	-0.7	8.3	8.3	8.9	8.9	17.2	17.2	-0.2
per capita	4.61	4.57	4.54	-0.7							
Bulgaria	86.6	94.6	90.0	-4.9	20.5	21.0	23.3	24.0	43.8	45.0	+2.7
per capita	11.2	10.39	10.07	-3.1							
Canada	189.0	190.2	196.3	+3.2	44.9	51.4	49.3	48.8	94.2	100.2	+6.4
per capita	7.76	7.72	7.88	+2.1							
EEC	3 529.0	3 517.0	(3 566.0)	(+1.4)	905.0	(985.0)	1 026.0	(1 054.0)	1 931.0	(2 039.0)	(+5.6)
per capita	13.49	12.94	(13.13)	(+1.5)							
Finland	37.0	38.0	41.0	+7.9	10.0	6.0	10.0	12.0	20.0	18.0	-10.0
per capita	7.71	7.88	8.43	+7.0							
Hungary	37.9	39.7	40.9	+2.9	9.9	10.6	9.7	11.5	19.6	22.1	+12.9
per capita	3.54	3.71	3.84	+3.5							
Japan	81.0	87.0	87.0	0.0	19.0	22.0	22.0	23.0	41.0	45.0	+9.8
per capita	0.69	0.73	0.73	0.0							
New Zealand	26.5	27.4	28.2	+2.9	6.8	6.8	6.7	6.5	13.5	13.3	-1.5
per capita	8.47	8.68	8.80	+1.4							
Norway	48.6	47.2	46.2	+2.2	11.9	11.4	13.5	14.2	25.4	25.6	+0.9
per capita	12.50	11.47	11.66	+1.7							
Poland	91.0	102.7	114.3	+11.3	25.7	25.7	24.7	25.5	50.4	51.2	+1.4
per capita	2.53	2.83	3.13	+10.6							
Romania	...	...	...	...	...	...	...	...	...	...	...
per capita	...	...	...	...							
South Africa	34.2	32.3	34.8	+7.8	8.1	8.5	13.1	14.0	21.2	22.5	+6.6
per capita	1.14	1.08	1.13	+4.6							
Sweden	116.0	117.0	122.6	+4.8	27.0	26.6	32.1	30.0	59.1	56.6	-4.2
per capita	13.94	14.05	14.72	+4.8							
Switzerland	85.8	87.2	88.1	+1.0	...	...	...	...	...	...	...
per capita	13.3	13.75	13.54	-1.5							
United States	1 885.0	2 123.0	2 186.0	+3.0	506.0	536.0	581.0	610.0	1 087.0	1 146.0	+5.4
per capita	8.20	9.15	9.35	+2.2							
Uruguay	10.8	7.7	8.1	+5.2	2.0	2.1	2.1	2.1	4.1	4.2	+4.0
per capita	3.69	2.61	2.73	+4.6							

TABLE 24

Stocks of Cheeses

('000 metric tons)

Country	1.1.1982	1.4.1982	1.7.198	1.10.1982	1.1.1983	1.4.1983	1.7.1983	1.10.1983	1.1.1984	1.4.1984	1.7.1984
Argentina	23,2	21,5	20,8	11,0	22,8	22,9	18,0	18,7	23,4	20,6	...
Australia[1]	80,8	82,4	62,1	58,5	84,6	83,2	70,1	76,5	100,3	99,3	(87,6)
Austria[2]	7,2	8,1	9,0	0,0	7,3	8,4	8,3	0,0	7,8	9,1	9,9
Bulgaria	12,1	16,7	34,0	29,4	17,3	23,5	42,7	37,1	21,0	22,0	38,0
Canada	53,9	51,1	50,0	47,5	48,5	49,3	50,2	51,0	49,4	51,0	51,5
EEC[3]	49,0	45,0	49,0	75,0	58,0	59,0	69,0	94,0	91,0	69,0	(81,0)
Finland[4]	11,0	12,0	14,0	17,0	13,0	14,0	14,0	16,0	14,0	16,0	14,0
Hungary	3,6	4,3	5,1	5,2	5,4	5,8	7,5	7,5	5,8	6,3	6,4
Japan	...	...	...	...	...	...	...	...	...	...	...
New Zealand[5]	21,0	37,0	33,0	34,0	48,0	61,0	42,0	35,0	35,0	43,1	38,0
Norway[6]	17,5	17,9	19,6	21,6	21,4	20,9	21,9	19,8	16,4	18,1	17,3
Poland	(1,8)	(2,0)	(3,5)	(2,4)	(3,6)	(3,7)	(3,2)	3,4	3,4	3,4	3,3
Romania	0,2	0,1	3,9	...	...	...	...	...	...	...	...
South Africa	9,2	11,1	6,8	11,5	13,6	13,3	7,6	11,0	13,3	14,0	6,6
Sweden	35,4	38,5	41,3	41,6	40,0	42,0	40,9	42,5	39,9	43,2	43,9
Switzerland[7]	13,3	14,7	14,7	16,0	17,1	16,1	14,5	18,9	21,3	21,5	21,3
United States	493,0	487,0	451,0	470,0	483,0	520,0	542,0	600,0	574,0	589,0	584,0
Uruguay	3,8	2,5	2,9	3,0	3,8	4,0	3,3	3,0	3,1	3,3	2,5

[1] Stocks of Cheddar, Gouda and stirred curd/granular cheeses held by manufacturers. Details of stocks of other varieties not available.

[2] Stocks of products of domestic origin

[3] Intervention stocks (public stocks for Grano-Padano and Parmigiano Reggiano) and stocks of cheese qualifying for aid for private storage.

[4] Stock figures are for wholesale stocks for dairies.

[5] Export stocks and local market stocks. Government support stocks are nil.

[6] Including natural whey cheeses and processed cheeses.

[7] Stocks of Emmental, Gruyère, Sbrinz, Tilsit and Appenzell. The stocks of less important varieties are not known.

Breakdown of Regions of Destination

WESTERN EUROPE

European Economic Community: Belgium-Luxembourg, Denmark, France, Greece, Federal Republic of Germany, Ireland, Italy, Netherlands, United Kingdom.

Other countries of Western Europe: Austria, Finland, Gibraltar, Iceland, Malta, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, Yugoslavia, other countries not listed.

EASTERN EUROPE

Albania, Bulgaria, Czechoslovakia, German Democratic Republic, Hungary, Poland, Romania.

USSR

NORTH AMERICA

Canada, United States of America, other territories not listed.

SOUTH AMERICA

Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Guyana, Paraguay, Peru, Suriname, Uruguay, Venezuela, other countries or territories not listed.

CENTRAL AMERICA

Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, other countries or territories not listed.

CARIBBEAN

Bahamas, Barbados, Cuba, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, other countries or territories not listed.

AFRICA

South Africa

Other countries of Africa: Algeria, Angola, Benin, Botswana, Burundi, Cameroon, Cape Verde Islands, Central African Republic, Chad, Congo, Egypt, Equatorial Guinea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Ivory Coast, Kenya, Lesotho, Liberia, Libyan Arab Jamahiriya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Niger, Nigeria, Reunion, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, Somalia, Sudan, Swaziland, Togo, Tunisia, Uganda, United Republic of Tanzania, Upper Volta, Zaire, Zambia, Zimbabwe, other countries or territories not listed.

SOUTH AND EAST ASIA

Japan

Other countries of South and East Asia: Afghanistan, Bangladesh, Brunei, Burma, China, Democratic Kampuchea, Hong Kong, India, Indonesia, Lao People's Democratic Republic, Macao, Malaysia, Maldives, North Korea, Pakistan, Philippines, Republic of Korea, Singapore, Sri Lanka, Thailand, Viet Nam, other countries or territories not listed.

WESTERN ASIA

Bahrain, Cyprus, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syrian Arab Republic, United Arab Emirates, Yemen, other countries or territories not listed.

OCEANIA

Australia, New Zealand

OTHER DESTINATIONS

All countries or territories not specified above.