

GENERAL AGREEMENT ON TARIFFS AND TRADE

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DOCUMENTATION ON INTERNATIONAL TRADE IN GRAINS

Addendum

SPAIN

The following additional information on international trade in grains has been submitted by the Spanish delegation. This information supplements information already included in Chapter C of MTN/GR/W/8/Rev.1.

Under "Country Notes" (pages 110 to 134) add the following:

SPAIN: MEASURES AFFECTING IMPORTS AND EXPORTS OF GRAINS

a. Import régime

The import régime for grains is linked with the system regulating the domestic market for these products. This régime, which has been in operation since 1963, was updated in 1972 by a Government provision regulating foodstuff imports in general (Decrease No. 3021/1972 of 23 November).

Specifically, grains are subject to the system of "regulating duties" - variable charges applied at the frontier in order to adjust prices of imported products to domestic market prices. The charges are equivalent to the difference between the entry price established to guarantee production and domestic consumption and the price of the imported goods delivered to wharf and cleared through customs. In practice the regulating duty is fixed weekly, and calculated on the basis of the most favourable c.i.f. or free-at-frontier quotation in the international market.

Although grain imports are de jure subject to State trading, the de facto situation is that they are effected by private traders, the only requirement being that an import application must be submitted to the Administration.

This system is in effect for maize, barley, grain sorghum and millet, and has been in operation since 1963.

The domestic market for these grains is regulated through the establishment of guaranteed producer prices (to ensure an adequate income level for producers) and of sales prices (to ensure that consumer prices do not exceed a maximum level). The market for these products is free, and the regulating agency is the National Agricultural Products Service (SENPA), a State agency under the authority of the Ministry of Agriculture, which is required to purchase at the guaranteed prices any offers freely made by producers, and to sell at the established sales prices in order to ensure that market prices remain within the limits corresponding to the prices mentioned above.

With respect to wheat, it has not yet been possible to bring the system of regulating duties into operation because of the specific conditions of wheat production in Spain. This is a crop which is generally grown in depressed areas where average yield is very low, resulting in a social problem that makes resort to foreign trade necessary for the time being.

Likewise, the domestic market for this product is operated by SENPA to which farmers have to sell all their production.

In recent years the system has been relaxed to some extent through the activities of "collaborating units" of SENPA which carry out wheat marketing without any direct intervention by SENPA and without any physical delivery of the product to that organization.

B. Export regime

Spain is not a customary exporter of grains, although occasionally it does export some wheat and barley when production variations result in a supply surplus in the domestic market. Such transactions are carried out by SENPA, either directly or in some cases indirectly through duly authorized private undertakings.