

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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NORWAY

Information Supplied in Respect of
BEEF AND VEAL, LIVE CATTLE, PROCESSED MEAT

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A. Production: production measures and policies

A.1. Statistical data on production

(a) Number of cattle (thousand head) (as per 20 June)

Year	Calves up to 12 months	Steers	Bulls more than 2 years	Heifers	Cows	Total
1965	341	54	3	144	517	1,059
1966	355	57	4	122	503	1,041
1967	342	49	2	125	478	996

(b) Meat production

Norway's production of cattle meat has in the last year been as follows:

('000 tons)

	1965	1966	1967
Beef	50.2	50.1	46.4
Veal	6.6	6.8	6.8

A.2. Trends in production and estimate for 1973

Under the assumption of normal production conditions, production of beef and veal is expected to increase by about 1.5 per cent a year and will in 1973 reach a level of about 50.8 thousand metric tons. This development is based on the assumption of a continued decrease in slaughterings of baby calves suited for fattening, and a faster increase in slaughter weights.

A.3. Statistical data on stocks

('000 metric tons)

Stocks at 1 January	1965	1966	1967	1968
Beef	2.09	0.98	2.92	0.79
Veal	0.02	0.01	0.08	0.08

A.4. Factors affecting production

Norway's meat production is almost exclusively based on cattle of dairy breed, however suitable for production of both milk and meat.

In the last years the number of cows in Norway has been reduced by about 20,000 or by about 4-5 per cent a year, and according to forecasts this trend is likely to continue in the years to come. Thus, in 1975 the average number of cows is expected to be about 370,000 as compared with 473,000 in 1967 and 512,000 in 1965.

In spite of the development in the cattle herd foreseen, as indicated above, meat production is expected to increase in the years ahead, mainly due to the following factors:

- (a) a further shift from more specialized milk production races to dual purpose races;
- (b) a further increase in slaughter weights;
- (c) a still more efficient feeding technique which will make the steers and heifers ready for slaughtering at an earlier stage; and
- (d) a further reduction in the slaughtering of baby calves, suited for fattening.

A.5. Policies and measures of Government or other bodies likely to influence production

The general agricultural price and income policy of the Norwegian Government is described in the Norwegian reply to the questionnaire on dairy produce (COM.AG/W/16/Add.1). More specifically however, the production policy, stated by the Government, is that meat production should be sought adjusted to domestic demand and that domestic production of animal products should be mainly based on home-produced feedingstuffs. In pursuing these objectives the Government intervenes mainly by fixing average yearly market prices for meat (see below), and by fixing a levy on feedingstuffs bought by farmers.

B. Protection and support measures and policies

B.I. Internal support measures and policies

B.I.1. Instruments to attain the aims

(a) Maximum average market prices

In the Agricultural Agreements, concluded on the basis of negotiations between the Government and the farmers' organizations, average yearly market prices are fixed for the different categories of meat (beef, heifers, veal, mutton and lamb, pork). These prices represent the maximum average the farmers' co-operatives organization (i.e. the Norwegian Meat Marketing Association, which represents about 70 per cent of the wholesale trade in meat and pork) is allowed to take out of the domestic market. No corresponding guaranteed minimum prices are fixed.

The market regulation measures carried out by the Meat Marketing Association aims at maintaining the actual market prices close to the agreed average price level.

(b) Adjustment of supply to market requirements

As already mentioned under A.5, in order to adjust livestock production to domestic demand a tax is levied on all concentrated feeding stuffs bought by the farmers, with the exception of a limited quantity which can be bought at a price level mainly corresponding with the world market price level.

The revenue from the levies on feeding stuffs are paid into a fund, the Feed Fund, which contributes in financing marketing and market regulation measures, and sales promotion activities.

B.I. 2, 3, 4 and 5 Level of maximum yearly prices

The maximum average yearly prices fixed in the Agricultural Agreements have been the following.

(wholesale prices in NKr per 100 kg. carcass weight)

	1965/66	1966/67	1967/68
Steers class I	746	813	830
Heifers class I	642	727	
Cows class I	582	668	745
Calves, fattened class I	1,037	1,097	1,115

Due to the market regulation activities carried out by the Meat Marketing Association, the wholesale prices obtained have been relatively close to the agreed average.

There are no producer subsidies applied in the meat sector.

B.II. Measures at the frontier

(a) The import system applied

The import regulation system applied in the meat sector aims at maintaining the internal prices at the average level fixed in the Agricultural Agreements. If the internal prices in two consecutive weeks exceed an upper price limit - 10 per cent above the agreed average prices - free imports are allowed.

In order to avoid excessive price fluctuations, when domestic supplies are considered to be insufficient to cover home requirements quantitatively regulated imports are allowed even at times when imports would otherwise not take place.

(b) Tariff measures (1 July 1968)

		(Nkr per kg.)
		Customs duties
01.02	Live animals of the bovine species	0.56
02.01	Beef and veal (fresh, chilled or frozen)	1.20
	Edible offals of beef and veal	
	(a) Tongues	3.00
	(b) Other	1.20
02.06	Beef and veal, salted, in brine, dried or smoked	
	(a) Dried, salted or in brine	1.20
	(b) Smoked	4.00
	(c) Tongues	3.00
	(d) Other offals	1.20
16.01	Sausages	
	(a) In airtight containers	1.80
	(b) Others	3.00

		(NKr per kg.)
		Customs duties
16.02	Beef and veal, otherwise prepared	
	(a) In airtight containers	
	- beef and veal	2.00
	- pastes etc.	2.00
	- liver pie	3.00
	- other prepared offals	2.00
	(b) Other	
	- pastes etc.	2.80
	- other	2.80

C. Consumption and internal pricesC.1. Statistical data on consumption

(total consumption) ('000 tons)

	1965	1966	1967
Beef	49.5	49.4	48.2
Veal	5.6	6.7	7.0

(consumption kgs. per head)

	1965/66	1966/67	1967/68
Beef and veal	22.2	22.1	22.1

C.2. Trends in consumption and estimates for 1973

Available forecasts of consumption in 1973 indicate a slight decrease in per capita consumption of beef and veal, but an increase in total consumption of beef and veal from 55.2 thousand tons in 1967 to 57.5 thousand tons in 1973 due to the expected growth in population.

C.3. Wholesale prices

The following table shows average wholesale prices for steers and heifers on the Oslo market.

(Nkr per kg. carcass weight class I)

	1965		1966		1967	
	Steers	Heifers	Steers	Heifers	Steers	Heifers
January	6.90	5.75	7.50	6.40	8.10	7.07
February	7.06	6.10	7.50	6.40	8.11	7.35
March	7.35	6.40	7.42	6.40	8.20	7.60
April	7.35	6.40	7.40	6.40	8.20	7.60
May	7.24	6.40	7.40	6.40	8.20	7.60
June	7.24	6.42	7.48	6.47	8.31	7.63
July	7.91	6.95	7.80	6.90	8.74	7.80
August	7.55	6.76	7.95	6.90	8.80	7.80
September	7.40	6.65	7.91	6.81	8.80	7.76
October	7.40	6.51	7.83	6.68	8.69	7.50
November	7.41	6.35	7.80	6.65	8.50	7.40
December	7.50	6.40	7.89	6.65	8.50	7.40
Unweighted average	7.36	6.42	7.66	6.59	8.43	7.54

C.4. Factors conditioning the evolution of internal consumption

The main factors influencing the internal consumption of beef and veal are the growth in population, the development in per capita income, the price ratio between beef and veal on the one hand and of competitive products on the other, and changes in consumers' preferences for different types of meat.

C.5. Policies and measures affecting consumption

In order to keep the consumer prices on a relatively stable and reasonable level, maximum retail margins for livestock products are fixed by the Government. A large part of the means accrued from levies on feeding stuffs (see B.I.1(b)) and levies imposed on prices of livestock products sold by the farmers, are used for market regulation and sales promotion activities aiming at stabilizing and improving the domestic market conditions for livestock products.

D. International trade and prices

D.1. Statistical data on the volume and value of imports

(a) Norway's imports of beef and veal

Veal, Fresh, Chilled or Frozen (02.01 210/250)

	Tons			Nkr million		
	1965	1966	1967	1965	1966	1967
Total	337	419	177	2.40	2.95	1.09
of which:						
Denmark	112	314	127	0.85	2.27	0.80
Sweden	-	17	48	-	0.12	0.29
United Kingdom	7	-	-	0.04	-	-
Canada	98	30	-	0.69	0.24	-
United States	62	-	-	0.48	-	-
Australia	55	56	-	0.30	0.31	-

Beef, Fresh, Chilled or Frozen (02.01 310/350)

	Tons			Nkr million		
	1965	1966	1967	1965	1966	1967
Total	776	1,824	1,737	4.70	10.78	9.13
of which:						
Denmark	226	955	1,124	1.30	5.25	5.71
Finland	-	-	35	-	-	0.19
Sweden	83	350	359	0.40	1.84	1.62
Argentina	89	121	187	0.84	1.01	1.37
Australia	242	236	22	1.34	1.57	0.17
New Zealand	62	18	-	0.31	0.11	-
Poland	57	15	2	0.30	0.09	0.02
Ireland	-	96	-	-	0.65	-
Netherlands	-	6	-	-	0.05	-
United Kingdom	-	13	-	1	0.07	-

(b) Norway's exports of beef and veal

Veal, Fresh, Chilled or Frozen (02.01 210/250)

No exports.

Beef, Fresh, Chilled or Frozen (02.01 310/350)

	Tons			Nkr million		
	1965	1966	1967	1965	1966	1967
Total	511	-	1,250	2.20	-	4.14
of which:						
Belgium	-	-	228	-	-	0.67
France	383	-	-	1.66	-	-
Italy	36	-	255	0.15	-	1.05
Germany, F.R.	70	-	97	0.30	-	0.43
Hungary	15	-	-	0.06	-	-
Netherlands	-	-	442	-	-	1.36
United Kingdom	-	-	228	-	-	0.64

D.2. Levels of export prices

D.3. Export aid measures and policies

As will be seen from the tables above, Norway is a net importer of beef and veal. Only occasionally does the Norwegian meat production exceed domestic demand. In such situations, in order to stabilize the domestic market exports might take place. If prices obtained on the export market are below those prevailing domestically, the loss involved is covered by means made available for market regulation purposes from the Feed Fund. No State subsidies are involved in such exports.

D.4. Description of bilateral agreements affecting imports or exports
