

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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International Dairy Arrangement

INTERNATIONAL DAIRY PRODUCTS COUNCIL

Reply to Questionnaire 5 Regarding Information on Domestic Policies and Trade Measures

ROMANIA

Introduction

Because of the important rôle played by zootechny in the overall national economy of Romania, the State takes measures each year in the context of the "National programme for development of zootechny and animal production"; as a result, this sector will eventually account for at least 51 per cent of total agricultural production.

At the end of 1980, production of milk for direct consumption (including milk powder with 2.5 per cent fat content) totalled 7,368,000 hl., representing 132.4 per cent in relation to 1975.

A. Production

Support measures for milk production

Favourable contractual and purchase prices are granted to agricultural production co-operatives, State agricultural enterprises and also to individual producers in order to increase milk production.

The premiums granted to individual producers represent 11 per cent of the purchase price per litre for deliveries up to 500 litres of milk per cow or buffalo, and 28.6 to 39.3 per cent of the purchase price per litre for deliveries exceeding 500 litres of milk per cow or buffalo each year.

At the same time, premiums are granted to agricultural production co-operatives representing 14.3 per cent of the purchase price per litre for quantities up to 1,000 litres per cow or buffalo each year. The premium is increased by 17.9 per cent to 39.3 per cent of the purchase price for deliveries exceeding 1,000 litres of milk.

For ewe's milk or goat's milk delivered under contract for State account, agricultural units and individual producers receive premiums representing 19 per cent of the purchase price for deliveries exceeding 30 litres of milk annually per ewe or goat.

The above-mentioned premiums are granted for the entire quantity of milk and milk products delivered over the year, in terms of milk equivalent, calculated for each farm or producing unit (3.5 per cent fat content for cow's milk or buffalo's milk and 7 per cent fat content for ewe's or goat's milk) (see Decree 395/1981, Official Gazette 110-111 of 26 December 1981).

Members of agricultural production co-operatives and individual producers who conclude delivery contracts for cow's or buffalo's milk, for State account, can buy concentrated feeding stuffs at retail price, as follows: up to 500 litres of milk 10 kg. of concentrated feed for each 100 litres; over and above 2,000 litres, 16,000 kg. of feed for each 100 litres.

Individual producers in hill and mountain regions who deliver ewe's or goat's milk to the State on a contractual basis can purchase at retail price 15 kg. of concentrated feed for each 100 litres of milk.

In addition, the State grants long-term credits to individual producers, reimbursable in kind in the form of milk and milk products (see Resolution of the Council of Ministers 886/1971 - Official Gazette No. 89 of 29 July 1971).

B. Internal prices and consumption

In order to ensure favourable contractual and purchase prices as an incentive to milk production, provision is made for a linkage between retail prices and production costs. These prices are the following (see Decree 45/1982 - Official Gazette No. 17 of 15 February 1982):

- Liquid milk (for direct consumption)	Lei 3.50/litre
- Table butter, 74 per cent fat, prime quality	Lei 11.00/block of 200 grammes
- Telemea cheese (of cow's milk), 42 per cent fat, prime quality	Lei 28.00/kg.
- Telemea cheese (ewe's milk), prime quality	Lei 34.00/kg.
- Cashcaval (cow's milk)	Lei 42.00/kg.
- Cashcaval (ewe's milk)	Lei 48.00/kg.

C. Measures at the frontier

Customs duties

The customs duties on dairy products, as published in the import tariff, are as follows: 80 per cent for butter, 39 per cent for cheese, 10 per cent for casein, 25 per cent for fresh milk, 50 per cent for milk powder.

Romania does not apply any quantitative restrictions nor any other measures limiting or protecting imports.

D. Bilateral, plurilateral and multilateral agreements

In 1969 and 1970 Romania concluded a technical arrangement with the European Economic Community in respect of certain cheeses, for example Tilsit, Cashcaval and Telemea (ewe's milk or buffalo's milk).