

GENERAL AGREEMENT ON TARIFFS AND TRADE

CONFIDENTIAL

TN.64/Me/w/9

February 1966

Special Distribution

Group on Meat

Original : English

NORWAY

The following information has been submitted by the delegation of Norway in accordance with the programme of work laid down in document TN.64/Me/5.

I. Existing beef policies

- (i) Support prices, guaranteed prices, guide prices, intervention prices
(indicating differences according to type of meat or cattle)

The Agricultural Agreements, which are negotiated between the Government and the farmers' organizations set yearly average target prices for the different categories of meat (beef, heifer, veal). The Norwegian Co-operative Meat Marketing Association exerts a market regulating activity in order to maintain actual prices close to the agreed average target price. A quotation board announces weekly wholesale prices in accordance with prevailing market conditions. Market interference is done all year round through raising or lowering the difference between the different quality grades of slaughter cattle, seasonal price variations, storage of surpluses, freeing of stored quantities, imports and exports (see answer to IV(iii)).

Target prices, see Table 1.

- (ii) Market prices for cattle; yearly average

TABLE 1

Yearly Weighted Average (July-June) Target and Market Prices US\$ per m.t.
Slaughtered Weight, Wholesale

	<u>Bulls, grade I</u>		<u>Heifers, grade I</u>		<u>Cows, grade I</u>	
	<u>Target price</u>	<u>Market price</u>	<u>Target price</u>	<u>Market price</u>	<u>Target price</u>	<u>Market price</u>
1961/62	903	902	826	804	770	757
1962/63	917	935	840	809	777	745
1963/64	917	952	840	819	777	750
1964/65	984	1,000	864	848	790	780
1965/66	1,043	n.a.	896	n.a.	812	n.a.

(iii) Total producers' return per kg. live weight, including assistance and subsidies

TABLE 2

Yearly Average (January-December) Producers' Return (Dairy Cattle)

Weighted farm gate price in US\$ per kg. including value of offals and hides

	1960	1961	1962	1963	1964
Cattle	83.9	85.0	81.1	81.2	86.2
Calves	89.2	96.2	95.8	93.4	98.4

(iv) Inventory and costs of aids and subsidies of every type which may influence production and returns to producers

No direct aid to meat producers is paid over the Treasury.

A limited amount of levies on imported feeding stuffs is repaid to farmers, based on farm size and number of animals. This is primarily a benefit for the low income farmers and is not regarded as having an incidence on the total volume of meat production.

(v) Total quantity and value of production

TABLE 3

Farm Gate Value of Meat, Offals and Hides, Including On-the-Farm Consumption

(US\$ million and 1,000 m.t.)

	1960		1961		1962		1963		1964 ¹	
	\$	m.t.	\$	m.t.	\$	m.t.	\$	m.t.	\$	m.t.
Cattle	35.9	42.8	40.5	47.7	43.3	51.5	40.0	49.2	43.5	50.5
Calves	6.1	6.8	6.9	7.2	7.0	7.3	6.2	7.0	6.3	6.5

¹ Preliminary

- (vi) Analysis of measures at the frontier: specific and ad valorem customs duties and charges on imports; variable levies; tariff quotas and quantitative import restrictions; other restrictions to imports or to the sale of imported goods; fees paid on account of administrative import formalities

Import regulations are flexible and aim at maintaining the prices set. When domestic prices of one or more pilot beef and veal products exceed an upper price limit - 10 per cent above average target prices (of which some are indicated in Table 1) - for two consecutive weeks, free imports will be allowed. Import restrictions are reintroduced when the weekly price quotation corresponds to or is below the upper price limit. If the Ministry of Agriculture considers that imports are necessary to provide a reasonable supply of the commodities in question it may allow quantitatively regulated imports even at times when imports should not be statutory free. In such cases prior consultation with the farmers' unions and the intra-professional meat trade organization are required, but the Government takes responsibility for the decisions.

TABLE 4

Customs Duties, per Kg. Calculated Ad Valorem 1964
Cattle and Beefmeat

		Kr.	%
L.0102.110	Live animals, not more than one year	0.56 (liveweight)	-
L.0102.190	Live animals, others	0.56 (liveweight)	-
L.0207.210	Meat of calves, fresh or cooled	1.20 (liveweight)	-
L.0201.250	Meat of calves, frozen	1.20 (liveweight)	15.7
L.0201.310	Meat of cattle, fresh or cooled	1.20 (liveweight)	11.7
L.0201.350	Meat of cattle, frozen	1.20 (liveweight)	22.0
L.0201.901	Edible offals, tongues	3.00	48.2
L.0201.909	Edible offals, others	1.20	28.0
L.0206.201	Meat of cattle, dried, salted or in brine	1.20	27.7
L.0206.202	Meat of cattle, smoked	4.00	-
L.1601.100	Sausages, canned	1.80	18.0
L.1601.200	Sausages, others	3.00	30.0
L.1602.110	Meat of cattle, canned	2.00	34.6
L.1602.201	Meat products, canned	2.80	28.0
L.1603.004	Meat extracts (not of whale meat), canned	2.00	7.8
L.1603.008	Meat extracts (not of whale meat), others	2.80	-

II. Incidence on meat production of policies on cereals and dairy products

- (i)
- Estimated volumes and prices of cereals used for intensive fattening of cattle with a breakdown showing type of cereal origin

Very little intensive fattening. No statistics available.

- (ii)
- Evolution of ratio between cereal prices and fat cattle prices

TABLE 5

Ratio, Feed/Meat Prices, US¢ per Kg.

	1960	1961	1962	1963	1964 ¹
One feed unit carbohydrate	10.4	10.0	9.9	10.0	10.3
Cattle meat (Table 2)	83.9	85.0	84.1	81.2	86.2
Ratio	0.12	0.12	0.12	0.12	0.12

¹Preliminary

- (iii)
- Total producers' returns for milk including assistance and subsidies

TABLE 6

(US\$ million)

1960	1961	1962	1963	1964 ¹
151.8	160.3	167.4	170.0	181.0

¹Preliminary

- (iv) Evolution of ratio between the prices of fat cattle, live weight basis and milk prices

TABLE 7

Ratio of Meat/Milk Prices (US\$ per Kg. and per Litre)

	1961	1962	1963	1964
Cattle meat (Table 2)	85.0	84.1	81.2	86.2
Milk (average of Table 6)	10.8	11.0	11.0	11.7
Ratio meat/milk price	7.7	7.4	7.1	7.2

- (v) Estimated quantity and value of beef and veal production from dairy herds

Almost all.

- (vi) Comparative evolution for the dairy cattle herd of the intensively fed beef herd in relation to total cattle herd

Number of meat cattle only some few hundred. Very little change over the years.

III. Internal prices: information on the levels of internal prices for beef and veal per kg. of carcass in the most representative markets or cities

- (i) Wholesale prices

See Table 2.

(ii) Retail prices or consumer prices

and

(iii) Costs of marketing

Retail margins for meat and livestock products are fixed by the Government. This makes for relatively stable and uniform retail prices.

According to OECD report "Distribution Margins for Meat", document AGR/T(65)14, the figures for Norway in February 1964 were for beef (pages 108 and 96):

Consumer price:	\$138.32 per 100 kg. carcass weight (100 per cent)
Marketing and distribution margin:	\$ 27.71 per 100 kg. carcass weight (20.0 per cent)
Consumer purchase taxes:	\$ 12.90 per 100 kg. carcass weight (9.3 per cent)
Farmers' return:	\$ 97.71 per 100 kg. carcass weight (70.7 per cent)

(iv) Charges on wholesale and retail sales of meat, at the national provincial and municipal level, as recorded at the most representative commercial markets

No parafiscal taxes on meat, only general purchase tax levied on all goods and services at retail stage.

IV. International prices

(i) and (ii)

No comments.

(iii) Concrete data on export subsidies and export aids; global values and quantities, and values per unit

Losses incurred on exports of meat are not covered by the Treasury. A farmers' fund, the Feed Fund, financed by levies on feeding stuffs, is used for covering costs of market regulation done by the Norwegian Co-operative Meat Marketing Association, inter alia seasonal exports. In 1964, 860 metric tons of beef were exported with an export loss of US\$168 per ton.

(iv) Information on stocking capacities in the various countries

In November 1962 8,000 metric tons of meat were stocked deep frozen. The capacity has increased since.

V. Bilateral agreements affecting imports and exports

No bilateral agreements on meat.

VI. Data on production, imports, exports and consumption of beef and estimates for 1970, on a standardized statistical basis

TABLE 8

Beef and Calves, 1,000 m.t.

	1962	1963	1964	1965 ¹	1970	1975
Production	58.8	56.0	56.8	56.2		
Imports	0.8	0.7	1.5	1.2		
Exports	5.6	2.7	0.8	1.1		
Consumption	53.0	57.2	58.1	57.5	66.6	72.8
Stock changes	+1.1	+3.2	+0.5	+1.2		

¹Preliminary

VII. Trends in total per caput consumption of all types of meat including estimates for 1970, in relation to available income, retail price and percentage of consumer expenditure devoted to meat

TABLE 9

Meat Consumption per Head. Kg. per Year

	1961	1962	1963	1964	1965 ¹	1970	1975
Beef and veal	15.0	14.5	15.6	15.7	16.1	17.2	17.9
Pork	15.6	15.8	15.7	16.2	16.4	17.5	18.5
Mutton and lamb	4.0	4.2	4.2	4.2	4.2	4.2	4.2
Edible offal	-	-	-	-	-	-	-
Other meat	5.9	6.2	6.2	6.2	6.2	6.1	6.1
Meat total	40.5	40.7	41.7	42.3	42.9	45.0	46.7

¹Preliminary

VIII. Sanitary or veterinary regulations affecting the level of beef imports

Under the Act of 14 July 1894, with Amendments, the Royal Decree of 15 December 1939 decides that imports of all kinds of meat and live animals are prohibited. The Veterinary Service of the Ministry of Agriculture is authorized to decide whether in special cases the import prohibition may be waived, and will in such cases decide the conditions for the import. As a general rule, imports of meat and live animals will not be permitted from countries with dangerous contagious animal diseases.

IX. Import policies for live cattle.

Quantitative import restrictions.