

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

RESTRICTED  
MTN.GNG/NG5/W/120  
2 November 1989  
Special Distribution

Group of Negotiations on Goods (GATT)  
Negotiating Group on Agriculture

Original: English

UNDERTAKINGS PURSUANT TO PARAGRAPH 15 OF  
THE MID-TERM REVIEW DECISION ON AGRICULTURE

Notification from Austria

In compliance with the decision of the Trade Negotiations Committee at its mid-term review in April 1989 regarding the "intention to reduce support and protection levels for 1990" (MTN/TNC/11, paragraph 15) Austria reaffirms its intentions to continue the reform process in the agricultural sector. The following specific policy measures that contribute to the objectives of the April decision are foreseen for implementation in 1990:

- (1) Appropriations within the federal budget concerning market support measures in the dairy sector as well as for cereals have been reduced.
- (2) Dairy sector:
  - (a) prolongation of a voluntary quota-buying scheme for milk which will lead to the reduction of total milk quotas;
  - (b) reduction of total milk quotas also will be achieved by a cut in specific quota amounts in the case of quota trading;
  - (c) continuation of adjustments in the dairy industry with a view to introduce more market orientation.
- (3) Cereal sector:
  - (a) reduction of governmental allowances to storage and transportation costs for the ongoing marketing year until mid-1990;
  - (b) continuation and extension of an existing set-aside programme.
- (5) Sugar sector

A reduction of domestic prices for sugar of 8.5 per cent has been introduced. Thus also the basis for the assessment of variable levies and equalization amounts for products containing sugar has been lowered substantially.

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- (6) Increase in decoupled, production-neutral payments for farmers in disfavoured regions.

As a result of these measures a reduction of the Austrian AMS can be expected.