

GENERAL AGREEMENT ON TARIFFS AND TRADE

International Dairy Arrangement
Committee of the Protocol Regarding
Certain Milk Powders
Committee of the Protocol Regarding Milk Fat
Committee of the Protocol Regarding
Certain Cheeses

Original: French

SURVEY OF GOVERNMENT MEASURES TO EXPAND DOMESTIC CONSUMPTION OF DAIRY PRODUCTS

Supplement

European Economic Community

Summary Description of Disposal Measures for Dairy Surpluses on the Internal Market of the Community

1. Milk, fresh products and cheese sector

Regulation 1598/77 (school milk)

Aid is granted to pupils in any of the various types of educational establishments for utilization of milk products: whole milk, semi-skimmed milk, buttermilk, fresh products, cheese with not less than 40 per cent fat content.

Level of aid for the 1983/84 marketing year: ECU 30.86/100 kg. for whole milk.

2. Butter sector

(a) Regulation 1762/78

Member States are authorized to grant aid for the purchase of butter at reduced prices by welfare recipients. At present, only Ireland is applying this provision.

The level of aid for the 1983/84 marketing year is ECU 80/100 kg.

(b) Regulation 2191/81

Aid is granted on butter purchased by non-profit-making institutions and organizations of member States. The latter determine the bodies eligible for aid. This Aid is granted to the butter supplier at his written request and on submission of a numbered voucher issued by the competent authority of the member State.

For the 1983/84 marketing year, the level of aid has been fixed at ECU 195/100 kg. Most member States apply this provision.

(c) Regulation 2192/81

Aid is granted on butter used by the armies and similar forces of member States.

It is granted to the butter supplier at his request and on submission of a numbered voucher issued to the beneficiary unit by the competent authority of the member State. The voucher is accompanied by a duplicate of the receipted invoice or of the delivery slip, countersigned by the beneficiary.

For the 1983/84 marketing year, the amount of aid is ECU 195/100 kg.

(d) Regulation 1932/81

Aid is granted for butter and concentrated butter for use in the manufacture of products falling within the following tariff headings:

A - CCT heading 19.08

B - ice-cream falling within CCT sub-headings 18.06 B and 21.07 C with a milk-derived fat content not exceeding 20 per cent

- preparations other than yoghurt and yoghurt powder falling within CCT sub-heading 18.06 D or heading 21.07

C - products falling within CCT sub-heading 19.02 B II (b) (uncooked pastry and preparations in powder form).

The amount of the aid is fixed by tender procedure. There are two invitations to tender each month. The amount of aid is currently ECU 235/100 kg. for butter with 82 per cent fat content intended for products A and C, and ECU 150/100 kg. for products in group B.

(e) Regulation 262/79

Butter in storage that meets certain specified age conditions is sold at reduced prices to manufacturers of products A, B and C listed in the preceding paragraph.

The amount of the price reduction is fixed by tender procedure. There are two invitations to tender each month.

The minimum sale price for butter with 82 per cent fat content is currently:

ECU 115/100 kg. for products in Groups A and C,

ECU 200/100 kg. for products in Group B.

(f) Regulation 649/78

Butter in public storage not less than four months old is sold at reduced prices to manufacturers who undertake to process it into concentrated butter for cooking, provided that during the processing a tracer substance (stigmasterol) is incorporated and that it is sold in small packages (500 gram tubs).

The amount of the price reduction is currently ECU 190/100 kg. Aid of the same amount can be accorded on butter covered by a private storage contract. These provisions are currently applied only by the Federal Republic of Germany.

(g) Regulation 1269/79

Member States are authorized to accord aid on butter used for direct consumption. Community financing is limited to 75 per cent of the amount of the subsidy granted by the member States, subject to a maximum of ECU 51/100 kg. The United Kingdom, however, can receive this amount (ECU 51/100 kg.) without the requirement of national participation.

This provision is applied by four member States: United Kingdom, Ireland, Denmark and Luxembourg. In addition, butter can be sold at reduced prices under special schemes such as "Butter for Christmas".

No such measures are expected to be applied in 1983.

3. Skimmed milk

- Liquid skimmed milk:

(a) Regulation 2793/77

Aid is provided for liquid milk consumed on the farm for the feeding of animals other than young calves. It varies in amount depending, inter alia, on the price of other proteins used in animal feed. This aid is actually at the rate of ECU 9.10/100 kg.

(b) Regulation 1105/68

This provides for aid on liquid milk used on the farm for the feeding of young calves. It is currently at the rate of ECU 6.10/100 kg.

- Skimmed milk powder

(a) Regulation 1725/79

Aid is granted on skimmed milk powder used in processed composed feed, in particular for calves.

The milk is denatured either by the addition of alfalfa meal, fish meal and starch or by the direct incorporation into compound feed containing not less than 60 per cent and not more than 80 per cent milk and marketed under certain conditions. This aid is actually at the rate of ECU 61/100 kg.

(b) Regulations 368/77 - 443/77

Skimmed milk powder is sold at reduced prices to manufacturers of pig and poultry feed. The processed product must correspond to a formula selected among those proposed by the Commission. The component elements must be such as to prevent the products being used for feeding young calves and piglets.

The sale price of the powder is fixed by a monthly tender procedure. In October 1983, the price was ECU 25.50/100 kg.

Under the provisions of Regulation 443/77, during one week per month manufacturers can purchase skimmed milk powder at the price fixed by tender increased by ECU 1.5/100 kg.

(c) Regulation 1844/77

Fresh skimmed milk powder used for feeding pigs and poultry can be granted aid which is also fixed by a monthly tender procedure. The conditions for denaturing skimmed milk are those laid down in Regulations 368/77 and 443/77.

In the October invitation to tender, the amount of the aid was fixed at ECU 118.50/100 kg.