

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED

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Agriculture Committee

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Information Supplied in Respect of  
DAIRY PRODUCTS

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A. Production: production measures and policiesA.1. Statistical data on total volume of production

Year	Milk '000 litres	Manufactured products (tons)					
		Butter	Cheese	Milk powder	Condensed milk	Casein	Dietary products
1965	497,149	5,425	5,912	5,616	483	307	1,939
1966	517,742	4,556	5,550	4,804	603	279	2,045
1967	575,196	4,650	5,780	4,850	610	170	2,100

A.2. Trends in production and estimates for 1970

Milk production is rising and is expected to show an increase of the order of 15-18 per cent by 1970.

Production of manufactured products will probably increase at varying rates, depending on demand, the largest increment being for milk powder and cheese.

A.3. Statistical data on carry-over stocks and stockpiles

Stocks of milk powder sometimes reach the level of 2,000 tons. So far as other products are concerned, mention need be made only of stocks accumulated during periods when production is high, particularly cheese and butter stocks which may reach 600-700 tons and 300-400 tons respectively.

There are not, and have never been, any governmental stocks.

A.4. Factors which affect production

Productivity is improving in the dairy sector, in relation with progressive rationalization of the industry.

A.5. Policies and measures of governments or other bodies likely to influence production, other than those listed under B

So far as milk production is concerned, subsidies are granted towards the cost of equipment and cooling apparatus for cattle sheds. Grants and premiums are also paid occasionally in relation to the overall or per caput increase in production, in cases where the average levels considered reasonable are exceeded.

B. Protection and support measures and policies

B.I. Internal support measures and policies

B.I.1. Inventory of the instruments of support

B.I.2. Levels of guaranteed prices or support prices

Guaranteed minimum prices exist only for milk, in relation to the quality and season of production.

	Esc/litre	US cents/litre
Class A	2.40-3.00	8.35-10.43
Class B	1.90-2.70	6.61-9.39
Class C	1.60-1.80	5.56-6.26

B.I.3. Amount of producer subsidies

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B.I.4. Average returns to producers

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B.I.5. Method of determining returns for producers

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B.II. Measures at the frontier

Imports of milk products are subject to the duties provided for in the customs tariff; imports of cheese are not subject to any quantitative restriction.

Tariff item No.	Description of product	Unit	Minimum tariff
04.01	Milk and cream, fresh, not concentrated or sweetened	kg.	3.20
04.02	Milk and cream, preserved, concentrated or sweetened	kg.	16.00
04.03	Butter	kg.	12.00
04.04	Cheese:		
01	processed cheese of a value of not less than Esc 2,700 per 100 kgs.	kg.	10.00
02	not specified	kg.	20.00

C. Consumption and internal pricesC.1. Statistical data on consumptionCONSUMPTION OF COWS' MILK AND DERIVATIVES THEREOF

(tons)

Year	Fresh milk <sup>1</sup>	Condensed milk	Milk powder	Butter	Cheese	Dietary products	Casein
1964	290,921	681	4,773	6,016	5,462	1,654	213
1965	297,787	483	5,616	6,219	5,913	1,939	307
1966	336,124	603	4,805	6,581	5,551	2,045	279

<sup>1</sup> 1'000 litres.

C.2. Trends in consumption and estimates for 1970

As a result of changing food habits, consumption is tending to rise and for 1970 an increase of approximately 8 per cent, in comparison with 1960, is expected for most products.

C.3. Retail and wholesale prices on major internal markets

(Average values: Esc/kg. (US cents/kg.))

Products	1964/1965		1966	
	Wholesale	Retail	Wholesale	Retail
Milk powder				
whole-fat	31.00	36.00	36.00 (125)	41.40 (144)
semi-fat	26.30	30.20	30.00 (104)	34.50 (120)
skimmed	22.00	25.30	26.50 (92)	30.50 (106)
Condensed milk	20.50	23.60	22.00 (77)	25.30 (88)
Butter (pasteurized)	37.00	41.00	41.00 (143)	45.00 (157)
Cheese (Flemish type)	30.00	34.00	37.00 (129)	42.50 (148)

C.4. Factors which condition the evolution of internal consumption

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C.5. Policies and measures affecting consumption

No measures have been taken up to the present time with a view to encouraging consumption of dairy products, and no such measures are envisaged for the future.

D. International trade and pricesD.1. Statistical data on the volume and value of importsIMPORTS

Product	1964		1965		1966		
	kgs.	Esc	kgs.	Esc	kgs.	Esc	US\$
Butter	697	14,961	793	21,174	2,024	43,364	1,508
Cheese	77	2,529	177	3,871	156	4,957	172
Condensed milk	241	2,074	403	3,797	299	2,648	92
Milk powder	41	604	65	1,059	163	3,038	106

Exports are of no special interest.

D.2. Levels of export prices, levels of import prices

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D.3. Export aid measures and policies

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

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