

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

DPC/P/W/11/Add.11

DPC/F/W/10/Add.11

DPC/C/W/10/Add.11

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Special Distribution

International Dairy Arrangement

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Committee of the Protocol Regarding Certain Milk Powders

Committee of the Protocol Regarding Milk Fat

Committee of the Protocol Regarding Certain Cheeses

SURVEY OF GOVERNMENT MEASURES TO EXPAND DOMESTIC CONSUMPTION OF DAIRY PRODUCTS

Addendum

SWEDEN

(A) INFORMATION ON GOVERNMENT PROGRAMMES TO EXPAND CONSUMPTION:

I. Welfare and social programmes, etc

Consumption of butter and Bregott¹⁾ at public institutions such as schools, day nurseries, hospitals, etc is promoted through the granting of price rebates. At present the rebates amount to 3.35 and 1.68 SEK/kg respectively for butter and Bregott. All public institutions supplying free meals are entitled to these rebates.

From the 1982/83 budgetary year additional funds have been allocated to increase consumption of dairy products. These funds have so far been directed at cheese sales to public institutions. Under this scheme cheese prices have been reduced by 1.00 SEK/kg.

Total expenditures (Mill. SEK)

	<u>1979/80</u>	<u>1980/81</u>	<u>1981/82</u>	<u>1982/83</u>
Price rebates; butter etc	3.8	4.0	3.8	3.5 ²⁾
Price rebates; cheese	-	-	-	10.1

1) A variety of edible fat with 80% fat content, composed of 80% butter fat and 20% vegetable oil.

2) Preliminary

II. Direct consumer subsidies for butter

None

III. Direct subsidies for use of skimmed milk powder and liquid skimmed milk for animal feed

None

IV. Sales and/or donations of government support stocks not included in Part A I, II and III

None

V. Direct subsidies to consumers for products other than butter and skimmed milk powder including cheese and milk for human consumption

Consumer subsidies were introduced in 1973 on a number of basic foods, f.ex. milk, cheese, beef and pigmeat. From this point price increases resulting from the agricultural price negotiations were partly covered by budgetary means. During the period 1973-1980 consumer subsidies were increased for a number of products. Certain reductions were effected during 1981-1982 due to budgetary restrictions. However, milk subsidies were not affected. From January 1983 consumer subsidies on milk and cheese have been further increased.

Level of subsidy/unit (SEK/kg or litre) 1979-1983 (VAT excluded)

Level of subsidy, SEK/kg or litre	Fresh milk	Cheese ¹⁾
1 Jan 1979	1.32	2.62
1 Jan 1980	1.32	2.62
1 Jan 1981	1.45	2.67
1 Jan 1982	1.43	1.42
1 Jan 1983	1.70	2.58
1 Jul 1983	1.70	2.58

1) Processed cheese and hard cheese

Consumer prices and subsidies (SEK/kg or litre, VAT included) and
percentual price reductions 1981-1983

	<u>Consumer price, SEK/kg or litre</u>	<u>Subsidy, SEK/kg or litre</u>	<u>Price reduction, %</u>
Milk, Jan 1981	2.74	1.79	40
Jan 1983	3.47	2.10	38
Cheese, Jan 1981	27.80	3.31	11
Jan 1983	33.80	3.19	9

Total expenditures (Mill SEK)

	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983¹⁾</u>
Consumer subsidies					
- milk	1 854	2 007	2 105	2 061	2 450
- cheese	229	265	247	141	277

(B) GOVERNMENT PROGRAMMES - PROPORTION OF TOTAL CONSUMPTION AND
TOTAL EXPENDITURES

(1) The consumer subsidy programme covers the total marketed volumes of fresh milk and cheese (except mould cheese).

The volumes of butter sold at reduced prices to public institutions were 1,124, 1,185 and 1,147 tonnes respectively during the period 1979/80 - 1981/82.

1) Estimated

(2) Total net expenditure of government programmes to support or subsidize the consumption of milk products (Mill. SEK)

	<u>1979/80</u>	<u>1980/81</u>	<u>1981/82</u>	<u>1982/83</u>
Price rebates; butter etc	3.8	4.0	3.8	3.5
Price rebates; cheese				10.1
Consumer subsidies; fresh milk	2 111.4	2 433.4	2 283.1	2 436.0 ¹⁾
Consumer subsidies; cheese				
Total	2 115.2	2 437.4	2 286.9	2 449.6

1) Preliminary

COMPARATIVE GENERAL OVERVIEW

	<u>Year</u>	
- Total production ('000 t)		
Butter	1979	40.5
	1980	40.5
	1981	40.7
	1982	44.6
Skimmed milk powder	1979	43.1
	1980	42.8
	1981	39.9
	1982	49.7
Cheese	1979	95.7
	1980	100.6
	1981	108.4
	1982	113.9
Milk for human consumption	1979	1 520
	1980	1 537
	1981	1 527
	1982	1 513
- Total consumption ('000 t)		
Butter	1979	29.0
	1980	30.1
	1981	30.5
	1982	29.8
Skimmed milk powder	1979	32.9
	1980	31.7
	1981	27.7
	1982	26.0

	<u>Year</u>	
Cheese	1979	108.3
	1980	114.1
	1981	116.0
	1982	117.0
- Proportion of total consumption of butter, skimmed milk powder, cheese and milk for human consumption supported by direct government programmes (%)		
Butter	1979	3 (appr.)
	1980	3 "
	1981	3 "
	1982	3 "
Skimmed milk powder	1979	-
	1980	-
	1981	-
	1982	-
Cheese ¹⁾	1979	100
	1980	100
	1981	100
	1982	100
Milk for human consumption	1979	100
	1980	100
	1981	100
	1982	100
- Total exports ('000 t)		
Butter	1979	12.3
	1980	10.4
	1981	10.0
	1982	13.6

1) Mould cheese excluded

	<u>Year</u>	
Skimmed milk powder	1979	11.9
	1980	11.4
	1981	14.9
	1982	18.8
Cheese	1979	3.0
	1980	2.6
	1981	5.1
	1982	6.7
- Total imports ('000 t)		
Butter	1979	0.2
	1980	0.2
	1981	0.1
	1982	0.0
Skimmed milk powder	1979	0.0
	1980	0.0
	1981	0.0
	1982	0.6
Cheese	1979	15.9
	1980	16.2
	1981	16.3
	1982	14.3
- End of year stocks ('000 t)		
Butter	1979	1.5
	1980	1.7
	1981	2.0
	1982	3.2

	<u>Year</u>	
Skimmed milk powder	1979	10.0
	1980	9.8
	1981	7.0
	1982	12.4
Cheese	1979	31.6
	1980	31.8
	1981	35.4
	1982	40.0
- Total net expenditure of government programmes to support or subsidize consumption of milk products (mill. SEK)	1979/80	2 115.2
	1980/81	2 437.4
	1981/82	2 286.9
	1982/83	2 449.6

APPENDIX

I. Government - imposed producer levies

None

II. Government assisted promotion of butter, cheese, skimmed milk powder and milk for human consumption

None