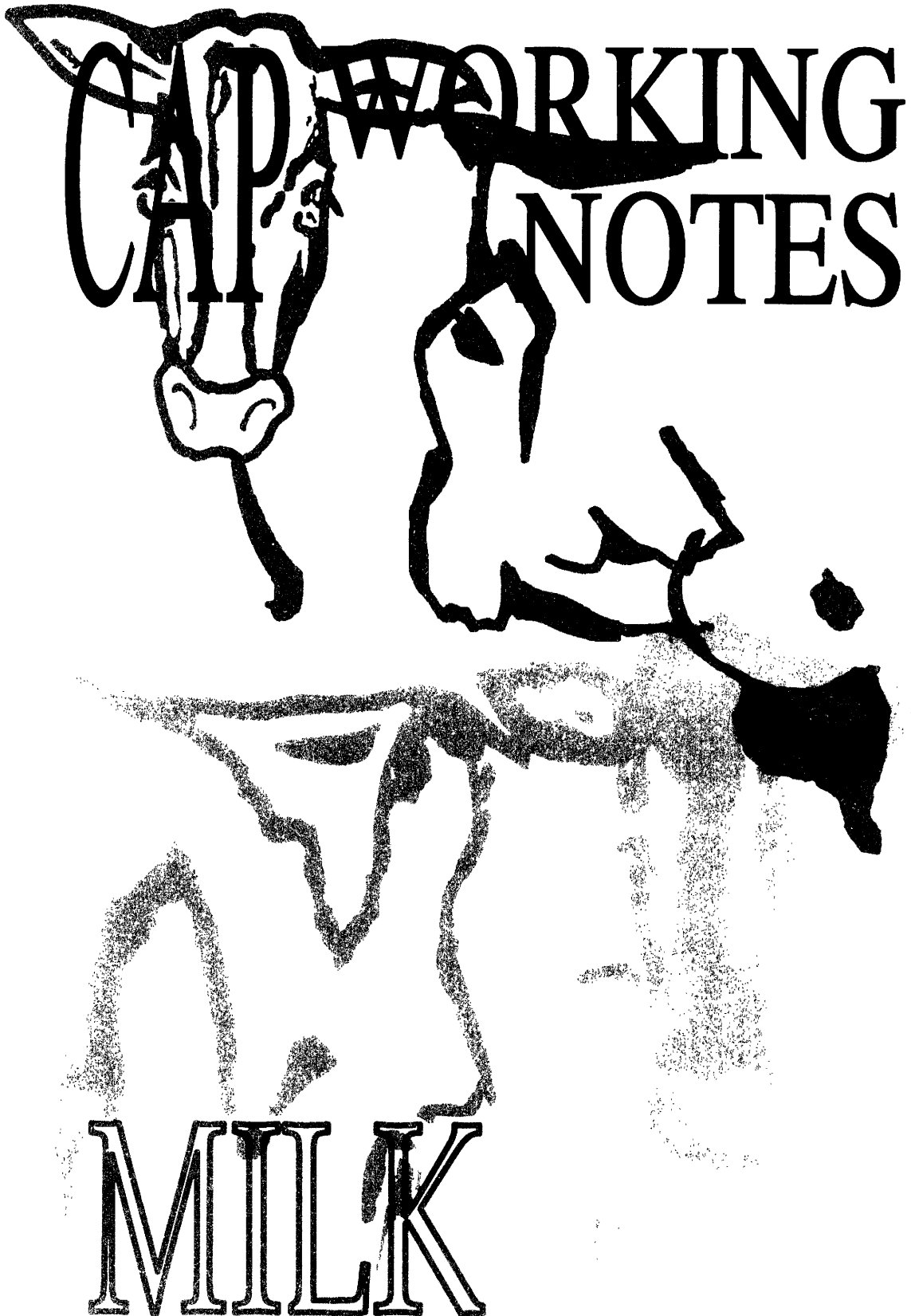




EUROPEAN COMMISSION



Working notes on the
Common Agricultural Policy

MILK AND MILK PRODUCTS

1996/97 edition

EUROPEAN COMMISSION
Directorate-General for Agriculture
Information, reports, publications, studies and documentation
130, rue de la Loi, B - 1049 Brussels
Fax: + 32.2.2957540

A great deal of additional information on the European Union is available on the Internet.
It can be accessed through the Europa server (<http://europa.eu.int>).

Cataloguing data can be found at the end of this publication.

Luxembourg: Office for Official Publications of the European Communities, 1997

ISBN 92-827-7558-5

© ECSC-EC-EAEC, Brussels - Luxembourg, 1997

Reproduction is authorized, except for commercial purposes, provided the source is acknowledged.

Printed in Belgium

CONTENTS

	<i>Page</i>
Introduction	5
The situation of the markets	7
1. The world market	7
2. The Community market	8
The common market organisation	26
1. Imports and exports	26
2. Prices and intervention	27
3. Storage of skimmed milk powder and butter and cream	30
4. Aid for use of skimmed milk	32
5. Other measures for butterfats	33
6. Measures for other milk products	34
7. Other sectoral measures	34
8. Financial contribution by milk producers	36
9. Other measures	36
Annexes	37
1. Promotion measures - milk products	37
2. School milk	40

INTRODUCTION

This text on milk and milk products is one of a series produced by the Directorate-General for Agriculture of the European Commission known as "*CAP Working Notes*" which is published every year in French, English and German. These documents contain the most recently available information on the current marketing year, particularly the decisions on prices and related measures and the planned budget expenditure for the market organisation of the product in question.

The document is in two parts with a set of annexes. The first part consists mainly of the contribution made by the Directorate-General for Agriculture's Unit "Milk products" to the 1996 Report *The Agricultural Situation in the European Union*. The second is taken from the working document "Section III - Commission - Sub-section B1" which accompanies the *Preliminary Draft General Budget of the European Communities for the financial year 1997* which was originally published in May 1996 and has now been updated for inclusion in this text which was completed on 20 February 1997.

THE SITUATION OF THE MARKETS

1. The world market

According to FAO estimates, world production of milk (including cows' milk, buffalo milk, sheeps' milk and goats' milk) in 1996 could show the first significant increase since 1990. Production could reach 535 million tonnes, 6 million tonnes more than in 1995. Production increased in all parts of the world except in Eastern Europe where it fell slightly and in Africa where it was stable at around 20 million tonnes.

In Asia, the growth of milk production in India (the largest producer among developing countries) during 1995/96 was slowed by a shortage of fodder in certain regions. The situation should return to normal in 1996/97, with production reaching 68 million tonnes. Favourable weather conditions in Pakistan, producing good pasture growth, point to high production.

In Latin America, most countries increased production in 1996. Brazil, the region's largest producer, substantially increased production following the development of milk production outside traditional areas as a result of improvements in dairy farmers' incomes. Production in Argentina, Chile and Uruguay should also increase. In Mexico, the abolition of government price controls is expected to increase production in 1996, as was the case in other countries in the region during the 1980s.

In most countries of Eastern Europe, the fall in production in 1995 was caused by a reduction in herds and hot, dry weather. There are again expected to be shortfalls in animal feedingstuffs in 1996 with consequent further reductions in herds. Despite falls in production, price increases in a number of the countries concerned discouraged consumption, leading to a surplus of supply over demand. In addition, there was a move towards substitute products such as vegetable oils. Although consumption of traditional dairy products is falling, long-life milk, soft cheeses, ice-creams and desserts are in great demand.

In Canada, the maintenance of processing quotas for milk in 1996 will leave production unchanged. In the United States, a forecast 3% increase in production in 1996 was revised downwards, with milk production ending slightly lower than in 1995.

In Australasia, milk production increased as a result of very favourable weather conditions. In New Zealand, production in 1996 should increase by 3% to reach 10 million tonnes owing to both weather conditions and an increase in the dairy herd stimulated by confidence in the world market and incomes. Production in Australia is expected to increase by 4% in 1996.

2. The Community market

The European Union is the world's leading milk producer. Nearly half of the Union's production comes from Germany, the main producer, and France. The dairy herd was 22.3 million head at the end of 1996 and will be 22.1 million head at the end of 1997.

The reduction in the number of cows was compensated for by the increase in yields.

In 1995, both production and deliveries increased by a million tonnes and similar figures are expected for 1996. The fat content of milk, on the other hand, continued to rise, meaning increasingly large adjustments.

Butter production was 1.84 million tonnes in 1995, an increase on 1994. It should be stable in 1996.

Production of cheese increased by 1.4% in 1995 and should reach 6.3 million tonnes in 1996, 0.7% up, which is the smallest increase in the last seven years and well below the annual average (+2.2%) since the introduction of quotas.

Production of all forms of milk powder continued to fall very slowly in 1995 and 1996, totalling 2.28 million tonnes and 2.24 million tonnes respectively. The trend varied, however, depending on the type of powder. Production of skimmed-milk powder was down, while the production of other types of powder rose in 1995 and fell in 1996.

The downward trend in the production of condensed and evaporated milk (-1.9% per year) was reversed in 1995 by an increase of 2.6%. In 1996, production should fall by 5.3% to 1.26 million tonnes. Casein production in 1995 was 139 000 tonnes, 27% up on 1994. Production in 1996 is expected to be 132 000 tonnes.

The total utilization of milk products, falling in the long term by about 0.2 % a year, is at present around 106 million t of milk and in the absence of any special disposal measures for the internal market would probably stabilize around 96 million tonnes.

Overall consumption of dairy products in the European Union, after having increased by 3% in 1994, fell by 2% in 1995 to 103.7 million tonnes. A stabilization is expected in 1996.

Total drinking milk consumption continued to rise in 1995, increasing by 1.7% to slightly under 28 million tonnes. Whole milk now accounts for only 47% of consumption, although in 1986 it was two-thirds, i.e. double that of reduced-fat milk. Only the consumption of semi-skimmed milk is clearly on the rise, that of whole milk remaining stable, whilst consumption of skimmed milk has been falling by 1% a year since 1992.

Cheese consumption in 1995 was 95% of production at 5.88 million tonnes, an increase of 2%. It is expected to grow by 1.2% in 1996.

Demand for butter has fallen steadily since 1988, except in 1994 when it rose by 2.9%, a result of the reduction in the intervention price by 2% in 1993 and 3% in 1994. Demand unfortunately fell again in 1995 (-1.1%) and should continue to fall in 1996 (-0.94%).

Community stocks in 1996 were at an all-time low. In March 1996, public stocks of butter and skimmed-milk powder were almost zero. Only in Australasia were there sufficient supplies. In the United States, stocks were insufficient to meet internal demand, almost tripling internal butter prices.

In the aggregate Community production of milk and milk products is in surplus; the self-sufficiency rate, though varying from one product to another, is almost always above 100%.

Export refunds were amended on several occasions in order to comply with the limits resulting from the undertakings made during the Uruguay Round. Since 1 January 1996, refunds have been reduced by 23% for condensed milk, 15% for drinking milk, 33% for processed cheeses and between 14 and 45% for other types of cheese. At the same time, in order to maximize use of export quotas, refunds for butter (+18.8%), butter oil (+17%), skimmed-milk powder (+16.7%) and whole-milk powder (+4.6%) were increased.

Exports of dairy products from the European Union increased in 1995 by 2.8 million tonnes milk equivalent. It was, however, an exceptional year, which is unlikely to be repeated in the coming years. In 1995, the European Union accounted for 45% of world trade, which reached 31.3 million tonnes. Imports barely exceeded 1 million tonnes. The most significant changes were the falls of 57% for caseins and 32% for cheeses.

Exports are estimated at 12.8 million tonnes of milk equivalent in 1996, mostly cheese, butter and milk powder. The reductions of export subsidies as they were agreed upon in the GATT Agreement which came into force on 1 July 1995, concerned only cheeses and the category "other milk products" as the export volume for butter and milk powder is, for the time being, below the thresholds authorized under the Agreement.

Imports are, compared with the quantities exported, rather modest. Butter imports from New Zealand were at 60 340 tonnes in 1995 and 76 667 tonnes in 1996. Imports of dairy products reached 2.5 million tonnes in milk equivalent in 1996, 200 000 tonnes less than in 1995.

Table 1
Dairy herds and yields

1	1000 head				% TAV
	1992	1993	1994	1995	<u>1995</u> <u>1994</u>
2	3	4	5	6	
A. Dairy cows in December					
EUR 15	23461 **	23221 **	23085	22554	-2,3
Belgique/België	741	703	720	680	-5,5
Danmark	708	711	717	714	-0,4
BR Deutschland	5365	5301	5273	5229	-0,8
Elláda	205	219	175	185	5,9
España	1447	1370	1344	1213	-9,7
France	4642	4615	4754	4672	-1,7
Ireland	1262	1274	1269	1267	-0,2
Italia	2317	2287	2167	2158	-0,4
Luxembourg	51	51	49	48	-2,7
Nederland	1821	1777	1757	1778	1,2
Österreich	842	828	810	705	-13,0
Portugal	381	375	368	366	-0,5
Suomi/Finland	426	419	413	402	-2,6
Sverige	506 **	505 **	503	481	-4,4
United Kingdom	2747	2786	2767	2656	-4,0
EUR 12	21687	21469	21359	20966	-1,8
B. Dairy cows yield (1)					
	kg/head				% TAV
EUR 15	4876 **	5113 **	5163 **	5272 **	2,1
Belgique/België	4409	4493	4757	4849	1,9
Danmark	6173	6583	6527	6517	-0,2
BR Deutschland	4970	5237	5257	5386 **	2,5
Elláda	3416	3644	3513	3425 **	-2,5
España	4052	4170	4031	4332 **	7,5
France	5096	5396	5479	5356	-2,2
Ireland	4159	4219	4240	4272 **	0,7
Italia	4067	4331	4397	4963 **	12,9
Luxembourg	5000	5255	5129	5482	6,9
Nederland	5795	6014	6169	6429	4,2
Österreich	3750 **	3853 **	3901 **	3886 **	-0,4
Portugal	4266	4165	4368	4944	13,2
Suomi/Finland	5667 **	5770 **	5983 **	5975	-0,1
Sverige	6301 **	6625 **	6774 **	6757	-0,3
United Kingdom	5140	5392	5391	5330	-1,1
EUR 12	4872	5113	5158	5277 **	2,3

Source: Eurostat.

(1) Production of the year divided by the herd in December of previous year.

TAV = annual rate of change

** = estimate

: = not available

- = nil

x = not applicable

Table 2
Production of milk from dairy herds and delivery of milk to dairies

1	1000 t				% TAV
	1992	1993	1994	1995	1995 1994
2	3	4	5	6	
A. Production of milk from dairy cows (1)					
EUR 15	120075 **	119944 **	120058 **	121098 **	0,9
Belgique/België	3514	3329	3344	3375	0,9
Danmark	4605	4661	4641	4673	0,7
BR Deutschland	27991	28098	27866	28400 **	1,9
Elláda	731	747	769	750 **	-2,5
España	6143	6030	5656	5801 **	2,6
France	25315	25049	25285	25413	0,5
Ireland	5378	5324	5402	5421 **	0,4
Italia	10315	10035	10055	10273 **	2,2
Luxembourg	260	268	262	269	2,7
Nederland	10901	10951	10963	11295	3,0
Österreich	3285 **	3244 **	3230 **	3148 **	-2,5
Portugal	1681	1587	1638	1760	7,4
Suomi/Finland	2471 **	2458 **	2507 **	2468	-1,6
Sverige	3201 **	3352 **	3421 **	3304	-3,4
United Kingdom	14284	14811	15020	14749	-1,8
EUR 12	111118	110890	110900	112179 **	1,2
B. Deliveries of cows'milk (2)					
EUR 15	110806 **	110840 **	111435 **	113014	1,4
Belgique/België	2937	2907	2948	2993	1,5
Danmark	4402	4460	4442	4476	0,8
BR Deutschland	25605	26017	26047	26980	3,6
Elláda	508	569	584	612	4,8
España	5435	5352	4926	5048	2,5
France	23046	22755	23224	23344	0,5
Ireland	5271	5202	5271	5286	0,3
Italia	9746	9501	9540	9708	1,8
Luxembourg	249	258	251	260	3,4
Nederland	10503	10560	10468	10811	3,3
Österreich	2204 **	2183 **	2193 **	2290	4,4
Portugal	1541	1477	1476	1550	5,0
Suomi/Finland	2342 **	2332 **	2385 **	2365	-0,8
Sverige	3133 **	3287 **	3357 **	3243	-3,4
United Kingdom	13884	13980	14323	14047	-1,9
EUR 12	103127	103038	103500	105115	1,6

Source: Eurostat.

(1) Excl. milk for suckling.

(2) Incl. deliveries of cream (milk equivalent).

Table 3
Deliveries of cows' milk to dairies, as a proportion of cows' milk production

		(%)				
		1991	1992	1993	1994	1995
1		2	3	4	5	6
	EUR 15	91,8	92,3 **	92,4 **	92,8 **	93,3 **
	Belgique/België	87,0	83,6	87,3	88,2	88,7
	Danmark	95,7	95,6	95,7	95,7	95,8
	BR Deutschland	90,9	91,5	92,6	93,5	95,0 **
	Elláda	75,1	69,5	76,2	75,9	81,6 **
	España	88,1	88,5	88,8	87,1	87,0 **
	France	91,1	91,0	90,8	91,8	91,9
	Íreland	94,0	98,0	97,7	97,6	97,5 **
	Italia	94,3	94,5	94,7	94,9	94,5 **
	Luxembourg	95,5	95,8	96,3	95,9	96,6
	Nederland	95,7	96,3	96,4	95,5	95,7
	Österreich	66,3 **	67,1 **	67,3 **	67,9 **	72,7 **
	Portugal	91,2	91,7	93,1	90,1	88,1
	Suomi/Finland	94,7 **	94,8 **	94,9 **	95,1 **	95,8
	Sverige	97,8 **	97,9 **	98,1 **	98,1 **	98,2
	United Kingdom	95,7	97,2	94,4	95,4	95,2
	EUR 12	92,3 **	92,8 **	92,9 **	93,3	93,7 **

Source: Eurostat.
(1) Incl. deliveries of cream (milk equivalent).

Table 4
Production of fresh milk and fresh milk products by the dairy industry

	1 000 t					% TAV
	1990	1991	1992	1993	1994	$\frac{1994}{1993}$
1	2	3	4	5	6	7
1. Drinking milk	24058	26135	26326	26546	26709	0,6
of which: - whole milk	13831	14545	14052	13301	13102	-1,5
- semi-skimmed milk	8587	9656	10330	11317	11697	3,4
- skimmed milk	1610	1897	1926	1902	1879	-1,2
- untreated milk	30	38	17	26	31	21,1
2. Buttermilk	418	451	469	427	440	3,1
3. Cream	1208	1319	1363	1373	1395	1,6
4. Acidified milk	3346	3686	3840	3517	3744	6,5
5. Milk-based drinks	763	812	789	759	769	1,4
6. Other fresh products	1096	1236	1296	1321	1361	3,1
7. Subtotal (2 - 6)	6831	7504	7757	7396	7710	4,2
Total	30889	33639	34083	33942	34419	1,4

Source: Eurostat.

Table 5
Production in dairies of butter and cheese

1	1000 t				% TAV
	1992	1993	1994	1995	$\frac{1995}{1994}$
2	3	4	5	6	
A. Butter (1)					
EUR 15	1838	1837	1801	1843 **	2,4
Belgique/België	63	61	62	80	29,5
Danmark	78	77	78	75	-3,8
BR Deutschland	474	482	461	486	5,4
Elláda	2	2	2	2 **	-5,0
España	29	25	19	25 **	33,2
France	460	445	443	454	2,5
Ireland	143	139	138	153 **	10,9
Italia	100	93	92	87 **	-5,7
Luxembourg	3	3	3	4	15,6
Nederland	199	194	184	184	0,0
Österreich	37	37	37	37 **	-0,3
Portugal	17	17	17	19	14,5
Suomi/Finland	47	45	45	57	25,2
Sverige	60	65	65	54	-16,9
United Kingdom	127	151	155	127	-18,1
EUR 12	1694	1689	1654	1696 **	2,5
B. Cheese (2)					
EUR 15	5640	5742	5885	6066 **	1,6
Belgique/België	69	69	70	68	-2,7
Danmark	292	322	288	311	8,0
BR Deutschland	1293	1337	1399	1453	3,8
Elláda	98	110	127	135 **	6,4
España	227	227	239	273 **	14,1
France	1413	1442	1475	1490 **	1,0
Ireland	94	93	98	80 **	-18,1
Italia	836	816	839	857 **	2,2
Luxembourg	4	3	4	3	-5,7
Nederland	640	640	660	691	4,7
Österreich	103	103	103	103 **	0,3
Portugal	48	57	50	52	4,1
Suomi/Finland	84	84	88	96	8,9
Sverige	117	126	133	129	-3,2
United Kingdom	324	313	313	325	3,8
EUR 12	5336	5428	5561	5738 **	1,6

Source: Eurostat.

(1) Incl. butteroil manufactured from cream (butter equivalent).

(2) Processed cheese excluded.

Table 6
Production (1) in dairies of milk powder

1	1000 t				% TAV
	1992	1993	1994	1995	$\frac{1995}{1994}$
2	3	4	5	6	
<i>A. Skimmed-milk powder</i>					
EUR 15	1236 **	1299 **	1218 **	1220 **	0,2
Belgique/Belgie	52	59	52	50	-3,6
Danmark	13	20	21	18	-14,3
BR Deutschland	400	434	382	406	6,4
Elláda	0	0	0	0 **	x
España	23	15	12	20 **	60,5
France	373	360	360	377	4,7
Ireland	126	132	129	114 **	-11,6
Italia	0	0	0	0 **	x
Luxembourg	0	0	0	0	x
Nederland	61	68	51	47	-7,8
Österreich	29 **	25 **	23 **	19 **	-18,7
Portugal	12	10	10	12	18,1
Suomi/Finland	15 **	15 **	15	14	-6,8
Sverige	30 **	37 **	34 **	26 **	-23,8
United Kingdom	102	124	128	117	-8,6
EUR 12	1162	1222	1146	1162 **	1,4
<i>B. Other milk powder (2)</i>					
EUR 15	1000	995	1045	1037 **	-0,7
Belgique/België	42	51	67	74	10,7
Danmark	106	106	119	112	-5,9
BR Deutschland	228	210	207	230	11,1
Elláda	0	0	0	0 **	x
España	13	12	10	13 **	31,3
France	304	307	336	306	-8,9
Ireland	31	34	32	34 **	6,6
Italia	3	1	0	1 **	x
Luxembourg	0	0	0	0	x
Nederland	163	179	164	147	-10,4
Österreich	7 **	7 **	9 **	9 **	0,0
Portugal	8	7	7	7	0,4
Suomi/Finland	3 **	1 **	1	4	x
Sverige	9 **	9 **	10 **	11	5,0
United Kingdom	84	71	83	90	8,4
EUR 12	981	978	1025	1014 **	-1,1

Source: Eurostat.

(1) Product weight.

(2) Whole-milk powder, partly-skimmed-milk powder, cream-milk powder and buttermilk powder included.

Table 7
Production (1) in dairies of concentrated milk and casein

1	1000 t				% TAV
	1992	1993	1994	1995	$\frac{1995}{1994}$
2	3	4	5	6	
<i>A Concentrated milk (a)(2)</i>					
EUR 15	1369 **	1353 **	1308 **	1343 **	2,7
Belgique/België	22	12	30	39	30,0
Danmark	11	13	14	15 **	7,1
BR Deutschland	503	514	528	551	4,3
España	42	48	38	46 **	21,1
France	77	64	52	48	-7,7
Ireland	91 **	91 **	69 **	69 **	0,0
Italia	1	0	0	0 **	0,0
Nederland	386	374	340	352	3,5
Luxembourg	0	15	10	11	1,9
Österreich	18	18	18	20 **	11,7
Portugal	0	0	1	0	-47,5
Suomi/Finland	0 **	0 **	0 **	0 **	x
Sverige	11 **	11 **	12 **	11 **	-8,3
United Kingdom	206	191	196	181	-7,7
EUR 12	1340 **	1323 **	1278 **	1312 **	2,6
<i>B. Casein (b)(3)</i>					
EUR 15	145 **	117 **	113 **	139 **	22,9
Danmark	16	13	12	13	8,3
BR Deutschland	20	14	8	12	47,6
France	37	27	25	32	28,0
Ireland	39	36	37	43 **	16,2
Nederland	30 **	25 **	28 **	37	32,1
Österreich	0 **	0 **	1 **	2 **	100,0
Suomi/Finland	1 **	0 **	1 **	0 **	x
Sverige	0 **	0 **	0 **	0 **	x
United Kingdom	1	1	1	0 **	x
EUR 12	144 **	116 **	111 **	137 **	23,3

Sources: (a) Eurostat;

(b) European Commission, Directorate-General for Agriculture.

(1) Product weight.

(2) Including that of 'Chocolate crumb'.

(3) Excl. caseinates produced from casein.

Table 8
World exports and production (1) of butter (2), cheese and casein

	Production						Exports							
	1 000 t						1 000 t							
	1991	1992	1993	1994	1994	%	1991	1992	1993	1994	1994	%	1994	% TAV
	2	3	4	5	6	7	8	9	10	11	12	13	14	15
A Butter (2)														
World	7243	6964	6926	6836	100.0	-1.3	753	872	818	737	100.0	-9.9		
- EUR 12	1824	1658	1658	1658	24.3	-1.7	322	242	201	154	20.9	-23.4		
- EUR 15	1976	1827	1834	1806	26.4	-1.5	367	278	239	185	23.3	-2.3		
- Australia	112	123	133	144	2.1	8.3	75	65	87	85	11.5	-2.3		
- New Zealand	268	287	276	351	5.1	27.2	254	190	249	257	34.9	3.2		
- USA	606	619	596	588	8.6	-1.3	32	96	121	79	10.7	-34.7		
- Canada	97	85	83	88	1.3	6.0	12	14	6	2	0.3	-66.7		
- USSR	1512	1432	1362	1290	18.9	-5.3	5	3	1	0	0	-100.0		
- Czechoslovakia	133	118	101	85	1.2	-15.8	51	34	33	32	4.3	-3.0		
- Poland	220	155	147	116	1.7	-21.1	8	1	19	18	2.4	-5.3		
- India	1020	1060	1110	1116	16.3	0.5	191	191	64	0	0	x		
- Others	1314	1258	1323	1323	x	x	191	191	64	0	0	x		
B Cheese														
World	14408	14650	14740	14880	100.0	0.9	932	922	892	1045	100.0	5.3		
- EUR 12	5437	5616	5716	5839	39.2	2.2	484	465	524	510	48.8	-2.7		
- EUR 15	5716	5903	6014	6146	41.3	2.2	546	519	584	604	50.0	x		
- Australia	179	197	218	234	1.6	7.3	65	77	88	104	10.0	18.2		
- New Zealand	125	140	145	190	1.3	31.0	109	115	127	159	15.2	25.2		
- USA	2730	2943	2961	3045	20.5	2.8	12	15	16	25	2.4	56.3		
- Canada	291	288	297	307	2.1	3.4	11	11	9	9	0.9	0		
- USSR	763	592	550	545	3.7	-0.9	2	2	1	0	0.0	x		
- Switzerland	134	132	136	135	0.9	-0.7	61	65	61	59	5.6	-3.3		
- Argentina	324	336	350	395	2.7	12.9	10	3	4	4	0.4	0		
- Others	4178	4152	4121	4121	x	x	116	116	100	100	x	x		
C Casein														
World	116	144	115	109	x	x	58	69	57	50	x	x		
- EUR 12	117	145	116	111	x	-5.2	3	3	3	3	x	-12.3		
- EUR 15	3	5	5	5	x	-4.3	3	3	3	3	x	x		
- Australia	73	74	81	79	x	0.0	77	67	65	88	x	100		
- New Zealand	21	14	12	4	x	-2.5	12	14	9	4	x	35.4		
- Poland	21	14	12	4	x	-66.7	12	14	9	4	x	-55.6		
- Others	116	144	115	109	x	x	58	69	57	50	x	x		

Source: European Commission, Directorate-General for Agriculture.

(1) Product weight.

(2) Production in dairies, including butteroil made from cream (butter equivalent).

Table 9
World exports and production (1) of whole-milk powder and skimmed-milk powder and of concentrated milk

	Production						Exports					
	1000 t						1000 t					
	1991	1992	1993	1994	1994	%	1991	1992	1993	1994	1994	% TAV
2	3	4	5	6	7	8	9	10	11	12	13	
A. Skimmed-milk powder												
World	3852	3405	3379	3339	100.0	-1.2	880	1042	993	916	100.0	-7.8
- EUR 12	1494	1162	1222	1158	34.7	-5.2	253	390	284	138	15.1	-51.4
- EUR 15	1573	1236	1289	1230	36.8	-5.3	394	414	321	164	17.9	-48.9
- Australia	154	170	202	228	6.8	12.9	126	121	129	178	19.4	38.0
- New Zealand	158	159	150	151	4.5	0.7	175	164	115	152	16.6	32.2
- USA	388	396	433	552	16.5	27.5	62	100	172	121	13.2	-29.7
- Canada	77	58	52	59	1.8	13.5	51	34	17	33	3.6	94.1
- USSR	274	263	245	240	7.2	-2.0	-	-	-	-	-	x
- Poland	147	139	157	112	3.4	-28.7	47	91	86	112	12.2	30.2
- Others	1086	984	960	960	x	x	25	118	132	.	x	x
B. Whole-milk powder (2)												
World	2222	2202	2343	2434	100.0	3.9	1084	1045	1087	1157	100.0	6.4
- EUR 12	1080	979	980	1021	41.9	4.2	618	581	588	.	x	x
- EUR 15	1119	1010	1011	1063	43.7	5.1	634	585	693	.	x	x
- Australia	65	75	90	113	4.6	25.6	50	52	57	85	7.3	49.1
- New Zealand	264	299	325	340	14.0	4.6	252	257	283	308	26.6	5.1
- USA	48	78	70	76	3.1	8.6	9	28	38	29	2.5	-23.7
- Canada	9	10	10	8	0.3	-20.0	5	10	6	7	0.6	16.7
- USSR	250	240	223	215	8.8	-3.6	-	-	-	-	-	x
- Argentina	75	78	95	102	4.2	7.4	23	11	1	24	2.1	2300.0
- Others	390	447	496	496	x	x	111	97	-12	.	x	x
C. Concentrated milk												
World	4543	4501	4433	4361	100.0	-1.6	423	439	449	376	100.0	-16.3
- EUR 12	1311	1340	1308	1268	29.1	-3.1	316	343	351	286	76.1	-18.5
- EUR 15	1339	1337	1337	1298	29.8	-2.9	317	344	352	.	x	-100.0
- Australia	89	96	109	110	2.5	1.9	12	12	8	2	0.5	-75.0
- New Zealand	1	1	1	1	0.0	0.0	5	1	1	1	0.3	0.0
- USA	942	1048	1050	1054	24.2	0.7	6	13	14	19	5.1	35.7
- Canada	74	78	94	85	1.9	-9.6	14	7	6	1	0.3	-83.3
- USSR	635	650	665	670	15.4	0.8	15	3	-	-	-	x
- Brazil	36	36	36	36	0.8	0.0	-	-	-	-	-	x
- India	395	400	410	415	9.5	1.2	-	-	-	-	-	x
- Others	1008	834	830	830	x	x	54	59	68	60	16.0	-11.8

Source: European Commission, Directorate-General for Agriculture.

(1) Product weight

(2) Whole-milk powder, partly-skimmed-milk powder, cream-milk powder and buttermilk powder included.

Table 10
World trade in certain milk products - EU share

EUR 15
(1,000 t)

	1989 (2) 2	1990 (2) 3	1991 (2) 4	1992 (2) 5	1993 (2) 6	1994 (2) 7	1995 8
A Exports							
<i>Butter/buteroil (1)</i>							
- World	846	833	873	737	818	737	779
- EU	395	260	322	242	202	154	225
- Others	451	550	554	502	622	578	...
- EU share	46,7%	32,1%	36,8%	32,5%	24,5%	21,0%	...
<i>Skimmed-milk powder (1)</i>							
- World	991	931	880	1042	993	916	1,108
- EU	409	330	253	391	284	138	367
- Others	581	590	627	651	711	744	...
- EU share	41,3%	35,4%	28,8%	37,5%	28,5%	15,6%	...
<i>Cheese</i>							
- World	930	887	932	922	992	1045	998
- EU	444	450	483	466	524	510	519
- Others	485	436	449	456	465	530	...
- EU share	47,7%	50,7%	51,8%	50,5%	53,0%	49,0%	...
<i>Whole-milk powder</i>							
- World	916	886	1084	1045	1087	1158	1,131
- EU	569	502	618	581	588	586	592
- Others	343	376	466	463	496	542	...
- EU share	62,1%	56,7%	57,0%	55,7%	54,2%	52,0%	...
<i>Condensed milk</i>							
- World	564	440	423	439	449	376	424
- EU	449	334	316	343	351	286	338
- Others	115	105	107	96	98	107	...
- EU share	79,6%	75,9%	74,7%	78,1%	78,2%	72,8%	...
<i>Casein and caseinates</i>							
- EU	80 **	61 **	58 **	69 **	57	50	50
B Imports							
<i>Butter/buteroil (1)</i>							
- World	846	810	876	744	824	737	779
- EU	71	89	68	48	65	65	69
- Others	775	721	808	696	759	667	...
- EU share	8,4%	11,0%	7,8%	6,5%	7,9%	8,9%	...
<i>Cheese</i>							
- World	930	887	932	922	989	1045	998
- EU	119	113	109	110	109	122	78
- Others	811	774	823	812	880	918	...
- EU share	12,8%	12,7%	11,7%	11,9%	11,0%	11,7%	...
<i>Casein and caseinates</i>							
- EU	36	63	58	54	59	87	47

Sources: European Commission, Directorate-General for Agriculture, GATT and FAO.

(1) Food aid included.

(2) EUR 12.

Table 11
Detailed supply balance (a) - skimmed-milk powder

EUR 15
(1 000 t)

	1991 (2)	1992 (2)	1993 (2)	1994	1995
1	2	3	4	5	6
Opening stocks					
- private	:	:	:	:	:
- public (intervention)	333	414	47	37	72
Production					
- skimmed-milk powder (b) (1)	1483	1162	1222	1159	1224
- buttermilk powder	38	37	43	45	52
Imports (b)	5	3	19	33	35
Total availability	:	:	:	:	:
Consumption at full market prices	350	350	350	390	390
Subsidized consumption					
- animal feed (calves)	856	809	661	649	594
Special measures					
- pigs and poultry	-	-	-	:	:
Total consumption	1206	1159	1011	1039	984
Exports at world market prices	192	293	232	108	345
Food aid	61	99	52	30	25
Total exports	253	392	284	138	370
Closing stocks					
- private	:	:	:	:	:
- public (intervention)	414	47	37	72	14
Total	:	:	:	:	:

Sources: (a) European Commission, Directorate-General for Agriculture.

(b) Eurostat.

(1) Including buttermilk powder incorporated directly in animal feed, milk powder for babies.

(2) EUR 12.

Table 12
Detailed supply balance (a) - butter

EUR 15
(1000 t)

	1990 (4)	1991 (5)	1992 (5)	1993 (5)	1994 (5)	1995
1	2	3	4	5	6	7
Opening stocks						
- private, aided by EU	104	84	41	68	47	59
- public (intervention)	20	251	261	172	161	59
Production:						
- dairy (b)	1783	1836	1693	1689	1654	1850
- farm (b)	25	23	21	21	17	17
Imports	89	68	48	65	65	72
Total availability	2021	2262	2064	2015	1944	2057
Consumption						
- at normal prices	1102	1206	1145	1141	1141	1253
Special schemes (2)	366	432	437	467	523	504
Total apparent consumption	1468	1623	1582	1608	1664	1757
Exports at world market prices						
Food aid	200	216	197	191	151	220
Exports at special prices	13	10	5	1	0	0
	5	96	40	7	11	9
Total exports (b)	218 (3)	322	242	199	162	229
Closing stocks						
- private, aided by EU	84	41	68	47	59	20
- public (intervention)	251	261	172	161	59	51
Total closing stocks	335	302	240	208	118	71

Sources: (a) European Commission, Directorate-General for Agriculture (including butteroil, butter equivalent).
(b) Eurostat.

(1) Product weight. Includes butteroil made from cream (butter equivalent).

(2) Comprising (1000 t)

- Welfare schemes

- Armed forces and

non-profit organizations

- Butter concentrate

- Sales to food

processors

(3) Not including 42000 t. physically exported in 1990 from the former GDR to the Soviet Union.

(4) EUR 12 without former GDR.

(5) EUR 12.

	1990	1991	1992	1993	1994	1995
- Welfare schemes	19	22	16	15	13	15
- Armed forces and non-profit organizations	39	39	36	38	37	37
- Butter concentrate	16	19	19	22	22	23
- Sales to food processors	292	352	364	392	451	429

Table 13
Intervention measures for butter and skimmed-milk powder (1995)

(t)

1	Taken into storage 2	Public storage - Release from storage				Private storage Quantity subject to storage contracts 7
		On the EU market (4) 3	For export (5) 4	For food aid (3) 5	Total 6	
A. Butter (1)						
EUR 15	125	30928	9000	0	39928	143714
Belgique/België	0	0	0	0	0	14759
Danmark	0	0	0	0	0	3278
BR Deutschland	0	6328	0	0	6328	23245
Elláda	0	0	0	0	0	0
España	125	11243	5000	0	16243	190
France	0	0	0	0	0	37058
Ireland	0	4433	4000	0	8433	17040
Italia	0	3698	0	0	3698	973
Luxembourg	0	0	0	0	0	157
Nederland	0	1115	0	0	1115	43314
Österreich	0	0	0	0	0	280
Portugal	0	0	0	0	0	0
Suomi/Finland	0	0	0	0	0	0
Sverige	0	0	0	0	0	656
United Kingdom	0	4111	0	0	4111	2764
EUR 12	125	30928	9000	0	39928	142778
B. Skimmed-milk powder (2)						
EUR 15	0	58106	0	0	58106	0
Belgique/België	0	470	0	0	470	0
Danmark	0	0	0	0	0	0
BR Deutschland	0	3072	0	0	3072	0
Elláda	0	0	0	0	0	0
España	0	0	0	0	0	0
France	0	0	0	0	0	0
Ireland	0	47758	0	0	47758	0
Italia	0	0	0	0	0	0
Luxembourg	0	0	0	0	0	0
Nederland	0	0	0	0	0	0
Österreich	0	0	0	0	0	0
Portugal	0	0	0	0	0	0
Suomi/Finland	0	0	0	0	0	0
Sverige	0	0	0	0	0	0
United Kingdom	0	6806	0	0	6806	0
EUR 12	0	58106	0	0	58106	0

Source: European Commission, Directorate-General for Agriculture.

(1) In accordance with Regulation (EEC) No 804/68, article 6.

(2) In accordance with Regulation (EEC) No 804/68, article 7.

(3) Including quantities removed under Regulation (EEC) No 2315/76 (Regulation (EEC) No 2200/87).

(4) Including quantities refused.

(5) Including emergency aid delivered to East European countries.

Table 14
Application of the quota system

(1 000 t)

	1995/96					1996/97
	Overall guaranteed quantity (1)	Deliveries (p) (2)	Adjustment of oil and fat (3)	Transfers (4)	Difference after the adjustment	
1	2	3	4	5	6 = 3 + 4 - 2 - 5	7
	EUR 15					
Belgique/België	115381011	113774597	2650118	296557	747147	115381011
Danmark	3097584	3019615	192119	95587	18563	3097584
BR Deutschland	4454570	4477781	:	130	23081	4454570
Elláda	27764778	26549985	1226895	-4105	16207	27764778
España	626061	632977	2059	76	8899	626061
France	5425960	5542425	38195	28543	126117	5425960
Ireland	23720938	23393599	577538	91886	158313	23720938
Italia	5234987	5287623	:	4251	48385	5234987
Luxembourg	9632540	10190831	:	80465	477826	9632540
Nederland	268098	256368	14285	-457	3012	268098
Österreich	10985848	10721603	358260	:	94015	10985848
Portugal	2369808	2297286	17046	-28	-55448	2369808
Suomi/Finland	1835461	1619439	11660	:	-204362	1835461
Sverige	2355721	2335435	:	95	-20381	2355721
United Kingdom	3300000	3207890	:	:	-92110	3300000
	14308657	14241740	212061	114	145030	14308657
	96369634	95212383	2274812	296490	821071	96369634
	EUR 12					

Source: European Commission, Directorate-General for Agriculture.

(1) Article 3 of Regulation (EEC) 3950/92.

(2) Declarations by Member States.

(3) Art. 2 (2) of Reg.(EEC) 536/93.

(4) Art.4 (2) of Reg.(EEC) 3950/92.

Table 15
Community butter and skimmed-milk powder stocks (1) on 1 April

(t)

	1992	1993	1994	1995	1996
1	2	3	4	5	6
A. Butter (2)					
EUR 15	:	:	:	:	36421
Belgique/België	4281	3161	554	-	2486
Danmark	7048	2046	1052	50	-
BR Deutschland	41366	39044	18544	4954	4480
Elláda	-	-	-	-	-
España	34756	34613	40306	7187	1530
France	16806	12516	12882	-	11282
Ireland	102308	58090	55798	15944	14144
Italia	10663	7278	7508	3776	776
Luxembourg	-	-	-	-	-
Nederland	35682	26976	18609	525	-
Österreich	:	:	:	:	1
Portugal	848	1994	1332	-	-
Suomi/Finland	:	:	:	:	-
Sverige	:	:	:	:	-
United Kingdom	20015	10251	5170	1277	1722
EUR 12	273773	195969	161755	33713	36420
B. Skimmed-milk powder (2)					
EUR 15	:	:	:	:	9363
Belgique/België	8638	487	691	181	-
Danmark	-	-	-	-	-
BR Deutschland	144138	8122	5987	186	-
Elláda	-	-	-	-	-
España	10356	799	294	-	-
France	16671	37	37	-	-
Ireland	147161	20738	31632	41282	9363
Italia	-	-	-	-	-
Luxembourg	925	-	-	-	-
Nederland	2088	-	-	-	-
Österreich	:	:	:	:	-
Portugal	107	-	-	-	-
Suomi/Finland	:	:	:	:	-
Sverige	:	:	:	:	-
United Kingdom	5635	480	2206	2188	-
EUR 12	335719	30663	40847	43837	9363

Source: European Commission, Directorate-General for Agriculture.

(1) Stocks referred to in Article 6 of Regulation (EEC) No 804/68 (butter, public and private storage; skimmed-milk powder, public storage).

(2) Product weight.

Table 16
Quantities of skimmed milk and skimmed-milk powder intended for animal feed and of skimmed milk
processed into casein and caseinates, for which aids have been granted

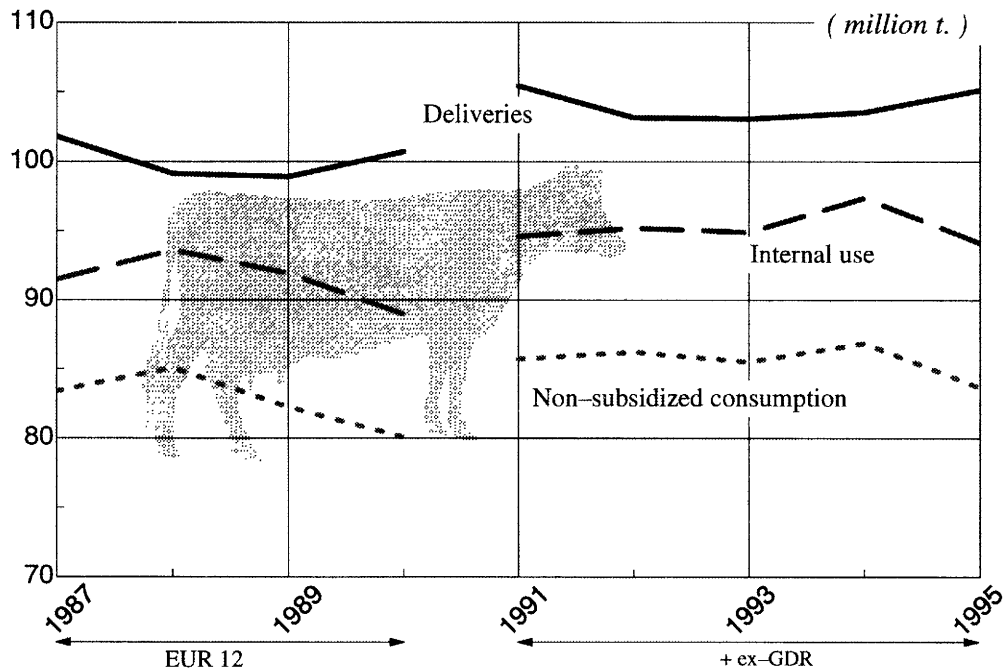
	Skimmed milk (1) (2)						Skimmed milk powder (2)						Skimmed milk for casein (2)							
	1000 t			% TAV			1000 t			% TAV			1000 t			% TAV				
	1992	1993	1994	1995	1994	1995	1994	1995	1996	1994	1995	1996	1992	1993	1994	1995	1996	1994	1995	1996
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16					
EUR 15	581	429	352	340	-3,4	800	675	649	594	-8,5	5037	3931	3731	4833	29,5					
Belgique/Belgie	90	83	68	59	-13,2	23	21	21	19	-9,5	0	0	0	0	0	X				
Danmark	23	16	12	5	-58,3	2	1	1	1	0,0	526	459	414	404	-2,4					
BR Deutschland	220	143	131	90	-31,3	76	62	56	51	-8,9	704	451	291	444	52,6					
España	0	0	0	0	X	7	2	2	2	0,0	0	0	0	0	X					
France	43	29	12	30	X	330	282	274	249	-9,1	1350	916	878	1173	33,6					
Ireland	7	15	13	11	-15,4	6	5	5	4	-20,0	1366	1204	1211	1435	18,5					
Italia	166	123	108	110	1,9	129	96	98	76	-22,4	0	0	0	0	X					
Nederland	10	4	0	0	X	212	194	182	175	-3,8	1073	900	937	1314	40,2					
Österreich	-	-	-	28	X	-	-	-	3	X	-	-	-	-	52					
Suomi/Finland	-	-	-	0	X	-	-	-	2	X	-	-	-	-	11					
Sverige	-	-	-	0	X	-	-	-	2	X	-	-	-	-	0					
United Kingdom	22	16	8	7	-12,5	16	12	10	10	0,0	19	1	0	0	X					
EUR 12	581	429	352	312	-11,4	800	675	649	587	-9,6	5037	3931	3731	4770	27,8					

Source: European Commission, Directorate-General for Agriculture.

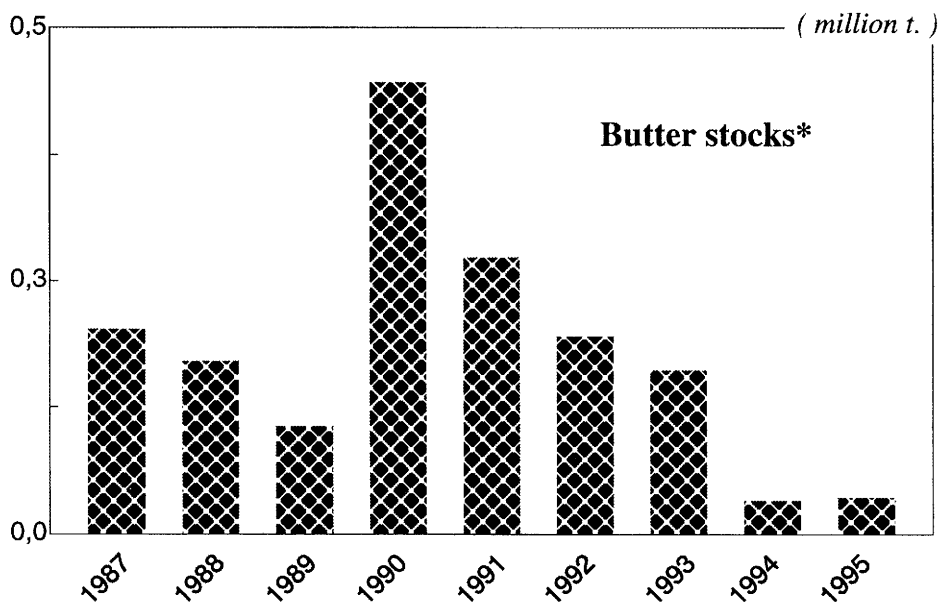
(1) Normal aid + special aid.

(2) Product weight.

Milk



Consumption calculated on the basis of total milk equivalent (milkfat content) figures. 1988 consumption includes 3.245 million t for animal feed.



Source: European Commission, DG for Agriculture.

* Public and private stocks covered by Article 6 of Regulation (EEC) n°.804/68. Position on 31 December.

THE COMMON MARKET ORGANIZATION

The Common organization of the market in milk and milk products covers the following products:

- milk and cream, fresh, preserved, concentrated or sweetened,
- butter, cheese and curd
- lactose and lactose syrup
- milk-based compound feeds for animals

It began on 29 July 1968. The basic provisions are in Council Regulation (EEC) No 804/68, last amended by Regulation (EEC) No 2931/95. The milk marketing year runs from 1 April to 31 March but since reform of the common agricultural policy in 1992 the Council has made a correspondence with the cereal price reductions by setting the target and intervention prices for the period 1 July to 30 June. It seems appropriate to continue this practice and the Commission has now proposed for simplicity that the marketing year be changed accordingly.

1. Imports and exports

The GATT Agreement has brought changes to the Union's trading arrangements with other countries¹. Production at the point of entry of products to the internal market, which previously involved imposition of a variable levy, is now effected by fixed customs duties listed in the Common Customs Tariff. To prevent or reduce an adverse impact on the Union's market of imports of certain products these can be subjected to a payment of additional duty if the c.i.f. import price is lower than the trigger price and the trigger levels are exceeded; quotas are then opened and operated in a way that prevents any discrimination between interested parties.

To permit exportation of Community milk products at world market prices the difference between the world and the Union price can be covered by an export refund. The rate is the same for the entire Union and can be differentiated by destination. For most milk products the Commission sets the rates every four weeks.

Under the GATT Agreement the Union has undertaken to respect maximum quantitative (and also value) limits for export aid for milk products. These are being progressively reduced from 1995 to 2000. The 1997 maximum quantities are 452 400 t of butter and butteroil, 310 000 t of skimmed milk powder, 384 400 t of cheese and 1 094 500 t of other milk products.

¹ For a detailed description of the GATT Agreement see the CAP Working Notes special issue "GATT and European agriculture".

If shortages arise entry duties can be cut or cancelled and an export tax imposed.

The cost of export refunds is covered in the EAGGF Guarantee Section budget by appropriations differentiated as four items by product. Actual costs depend on refund rates, i.e. the differences between internal and world market prices, and on the quantities exported. For article 1-200 the overall fall of 0.1% from 1996 to 1997 in refund appropriations sought is essentially due to lower 1997 rates owing to the relatively favourable situation on the world market. Expenditure on skimmed milk powder increases (item 1-2001). Here an expected rise in export volume offsets the lower rate.

For 1996 the total quantities of traditional food aid: were 20 000 tonnes of milk powder or equivalent products and 500 tonnes of butteroil. Appropriation requirements for refunds on these food aid gifts are not included here (see chapter 1-33 of subsection B1 of the general budget).

2. Prices and intervention

2.1. Prices

Each year the Council sets two prices:

- a) *the target price for milk* of 3.7% fat content delivered to the dairy is the price aimed at for all milk sold by producers during the milk year through available outlets on the Community and external markets. The proposed target price for 1997 is the same as for 1996, i.e. 309.8 ecus/t;
- b) *the intervention prices for butter and for skimmed milk powder* are the prices at which the intervention agencies are required to buy in quantities meeting set quality criteria offered during the intervention period, provided that purchasing is not suspended. For 1997 the Commission has proposed as for 1996 an intervention price for *skimmed-milk powder* of 2 055.2 ecus/t. After setting 3% reductions in the intervention price for *butter* for 1993/94 and 1994/95 the Council rejected the Commission's proposal for a further 2% reduction for 1995/96. The proposal for 1997 is to retain the price adopted for 1996, i.e. 3 282 ecus/t.

Since 1 July 1995 no threshold price is set, variable levies having been replaced by fixed customs duties.

2.2. Quotas

Given the failure of guarantee thresholds to balance supply and demand a *guaranteed total quantity* was introduced from the 1984/85 marketing year in order to curb the Community's gross over-production. This quantity is split between the Member States and within each between producers or dairies using Community criteria and a Community procedure.

Table 17
Milk and milk products - Appropriations authorised for 1996 and for 1997

(ECU)

Article Item	Description	1996 (1)	1997 (2)	Variation % (2/1)
1-200	Refunds on milk and milk products	1 723 000 000	1 721 300 000	- 0.1
1-2000	Butter and butteroil ¹	307 000 000	303 700 000	- 1.0
1-2001	Skimmed milk powder	147 000 000	162 300 000	+ 10.4
1-2002	Cheese	490 000 000	456 700 000	- 6.8
1-2003	Other milk products	779 000 000	798 600 000	+2.5
1-201	Intervention and other storage of skimmed milk powder	36 000 000	pm	- 100.0
1-2010	Private storage	pm	pm	-
1-2011	Technical costs of private storage	1 000 000	pm	-100.0
1-2012	Financial costs of public storage	490 000	pm	- 100.0
1-2013	Other public storage costs	- 20 000 000	pm	- 100.0
1-2014	Stock depreciation	54 510 000	pm	- 100.0
1-202	Aid for use of skimmed milk	814 000 000	686 000 000	- 15.7
1-2020	Skimmed milk powder used as calf feed	442 000 000	406 100 000	- 8.1
1-2021	Liquid skimmed milk used as calf feed	22 000 000	21 400 000	- 2.7
1-2024	Skimmed milk processed into casein	350 000 000	258 500 000	- 26.1
1-2029	Other aid	pm	pm	-
1-203	Intervention and other storage of butter and cream	53 000 000	30 100 000	- 51.5
1-2030	Private storage	30 000 000	30 100 000	+ 0.3
1-2031	Technical costs of public storage	2 000 000	pm	- 100.0
1-2032	Financial costs of public storage	1 000 000	pm	- 100.0
1-2033	Other storage costs	- 42 000 000	pm	- 100.0
1-2034	Stock depreciation	62 000 000	pm	- 100.0
1-204	Other measures for butterfat	724 000 000	649 100 000	- 10.3
1-2040	Consumption aids for butter including butter for social assistance recipients	13 000 000	13 600 000	+ 4.6
1-2049	Other measures	711 000 000	635 500 000	- 10.6
1-205	Measures for other milk products	99 000 000	92 300 000	- 6.8
1-2050	Storage of cheese	99 000 000	92 300 000	- 6.8
1-2059	Other measures	pm	pm	-
1-206	Other measures	494 000 000	446 000 000	- 9.4
1-2061	School milk	144 000 000	131 200 000	- 8.9
1-2065	Premium for definitive cessation or reduction of milk production	300 000 000	291 500 000	- 2.8
1-2066	Premium for definitive cessation of milk production	8 000 000	6 800 000	- 15.0
1-2068	Premium for definitive cessation or reduction of milk production	16 000 000	pm	- 100.0
1-2069	Other measures	26 000 000	16 500 000	- 36.5
1-207	Financial contribution by milk producers	pm	pm	-
1-2071	Additional levy	- 92 000 000	pm	-
1-209	Other measures	7 000 000	pm	-
1-2090	Compensation for non-allocation of milk quotas	pm	pm	-
1-2099	Other	pm	pm	-
	TOTAL	3 858 000 000	3 624 800 000	- 9.4

Source: Final adoption of the general budget of the European Union for the financial year 1997, OJ L 44 of 14 February 1997

¹ An appropriation of ECU 7 200 000 is entered in Chapter B0-40.

If the national quota is overrun, overrun of individual quotas is penalised by an *additional levy* amounting at present to 115% of the target price. Before calculating the levy the Member State may however redistribute unused individual quantities. The additional levy amount due from the Member States was ECU 94 million for the 1994/95 and ECU 393 million for the 1995/96 marketing year. Overrun of certain quotas is also expected for 1996/97.

The total guaranteed quantity has been gradually reduced in line with the market situation but increased several times following enlargement of the Community (see Table 18).

In the 1992 CAP reform the Council decided to maintain milk quotas until 31 March 2000, simplify the rules and consolidate the legislation now to be found in Regulation (EEC) No 3950/92 and for rules of application [Regulation (EEC) No 536/93]. The guaranteed total quantities for Spain, Greece and Italy were provisionally increased for 1993/94.

In 1994 the Council decided to keep the total guaranteed quantities unchanged for the 1994/95 and 1995/96 marketing years. However the increases in total guaranteed quantity provisionally granted to Spain, Greece and Italy since 1992/93 were definitely allocated with effect from 1994/95 for Spain and 1995/96 for Greece and Italy. The total guaranteed quantities were therefore 106 498 294 t² for 1993/94 and 107 062 302 t³ for 1994/95. The entry of Austria (2 205 000 t), Finland (2 342 000 t) and Sweden (3 300 000 t) brought the quotas to 114 909 302 t for 1995/96.

In 1995 on accession of the three new Member States the Council found it possible to increase the quotas set for Austria and Finland on the basis of 1993 production by 180 000 t and 200 000 t respectively. These non-transferable quantities were exclusively for assignment to producers whose right to take up production was affected by accession. The Commission used a waiver provision in the Act of Accession allowing Finland to allocate up to 30 March 1997 quantities the sum of which is greater than the amount set in the Act of Accession.

The actual guaranteed total quantity for each marketing year is shown in Table 18 .

² Including the provisional reference quantity increases for Italy and Greece.

³ Including the provisional reference quantity increases for Spain, Italy and Greece.

Table 18**Guaranteed total quantities 1984/85 to 1996/97**

	DELIVERIES	DIRECT SALES
	Community of Ten	
1984/85	99 917 000 t	3 761 000
1985/86	99 471 574 t	3 334 426
	Community of Eleven (integration of Spain into market organisation)	
1986/87	104 381 574 t	3 824 426
1987/88	98 761 040 t (with across-the-board suspension)	3 553 746
1988/89	96 105 623 t (ditto)	3 519 502
1989/90	97 676 738 t (ditto)	3 329 482
1990/91	97 864 855 t (ditto)	3 100 502
	Community of Twelve (integration of Portugal and ex-DDR into market organisation)	
1991/92	103 754 915 t (with across-the-board suspension)	3 038 493
1992/93	103 754 915 t	3 065 569
1993/94	106 498 294 t including provisional increase of reference quantities for Italy and Greece	1 829 765
1994/95	107 062 302 t including provisional increase of reference quantities for Spain, Italy and Greece	1 983 627
	Union of Fifteen (accession of Austria, Finland and Sweden)	
1995/96	114 909 302 t	2 070 447
1996/97	114 909 302 t	2 070 447

3. Storage of skimmed milk powder (article 1-201) and butter and cream (article 1-203)

3.1. Public storage

Since 1987 the national intervention agencies have bought butter under a standing tender arrangement. On 14 November 1994 the Council adopted a single definition of butter setting eligibility requirements for both public and private storage.

Skimmed-milk powder is purchased at the intervention price from 1 March to 31 August. Purchasing may be suspended as soon as the quantity bought in exceeds 106 000 t (not counting quantities already in storage before 1 March). After 31 August market support is by other means. Since 1 March 1996 skimmed milk powder purchased has had to meet a protein content level below which the price is reduced. A minimum protein content level also applies.

During an initial period the products thus purchased are stored. These operations give rise to four types of expenditure for powdered skimmed milk (Article 1-201) and butter (Article 1-203):

- the technical costs of public storage (item 1-2011 and item 1-2031 respectively),
- the financial costs of public storage (item 1-2012 and item 1-2032 respectively),
- other public storage costs (item 1-2013 and item 1-2033 respectively)³,
- stock depreciation costs, i.e. any profits or losses effected during the sales operations (item 1-2014 and item 1-2034 respectively)⁴.

These costs depend on the size of stocks at the beginning of the period, the purchases and sales made during it and the rate of depreciation.

Public stocks are sold by tender or directly as follows:

- reduced-price butter sales to manufacturers of pastry products and ice cream, manufacturers of other food products, non profit making organizations and recipients of social assistance,
- sales of concentrated butter for cooking,
- sales of skimmed milk powder for use as animal feed,
- sales for export,
- food aid. In addition to food aid for developing countries (see 1) the Union has pursued a programme of distributing milk products to the poorest people in the Union through the agency of social and charitable organizations. In 1996 19 000 t of butter and 10 896 t of skimmed-milk powder were distributed.

⁴ Items 1-2013, 1-2033, 1-2014 and 1-2034 concern the budget booking of the stock depreciation. Until 1988, this depreciation was calculated in the year of exit from storage by the difference between the value of the goods at the time of entry into storage and their value at the moment of exit from storage. Since 1988, in the case of stocks constituted during a marketing year, this depreciation has been calculated using the difference between the value of the goods at the time of entry into storage and the estimated value of the goods at the end of the budget year (1-2014 and 1-2034). Items 1-2013 and 1-2033 represent the difference between this estimated value and the value at the time of exit from storage, which is generally during a financial year subsequent to the year of entry into storage.

3.2. Private storage

Aid for private storage of milk powder, butter and certain cheeses (see 6.1) produced in the Union is granted:

- for top quality skimmed milk powder: only when intervention purchasing is suspended from 1 March to 31 August. No expenditure is scheduled for 1997 (item 1-2010);
- for butter stored for at least three months between 15 March and 15 August. Anticipated expenditure (item 1-2030) in 1997 is 0.3% up on 1996 since the 1996 balance to be paid in 1997 is higher than the 1995 balance to be paid in 1996 owing to both a higher aid rate and higher quantities.

4. Aid for use of skimmed milk (article 1-202)

Aid for use of liquid or powdered skimmed milk or buttermilk as animal feed can be granted to help disposal of these products by reducing the cost price of the feeds in question to make them competitive with substitutes, notably vegetable protein. Better control of the volume of milk production has meant that the special aids applying to animals other than calves less than four months old have not been granted since 1988.

4.1. Item 1-2020: Aid for skimmed-milk powder used as calf feed

This is aid for milk used in feeding livestock granted on skimmed milk processed into compound feeds and on skimmed milk powder used to feed calves. It allows the bulk of the skimmed milk powder produced in the Union to be disposed of. The appropriations for 1997 are 8.1% lower than in the 1996 budget essentially owing to a quantitative fall.

4.2. Item 1-2021: Aid for liquid skimmed milk used as calf feed

This is aid for use of denatured liquid skimmed milk or buttermilk either resold to the farm or used on the farm on which it was produced, granted to avoid its being processed into milk powder. It is granted on the liquid skimmed milk used to feed calves. Its amount depends on the intervention price for skimmed milk powder, the supply situation for that product and the prices of calves and competing proteins. The Commission has proposed aid of 58 ecus/t for 1997, i.e. the 1996 level.

4.3. Item 1-2022: Aid for skimmed milk powder used as feed for animals other than calves

These special aids on skimmed milk powder used to feed livestock other than calves have not been granted since 1988, hence as for 1996 there are no appropriations 1997.

4.4. Item 1-2023: Aid for liquid skimmed milk used as feed for animals other than calves

These are special aids for liquid skimmed milk used as feed for animals other than young calves less than four months old, granted so as to avoid processing into milk powder. The aid rate is set in line with the price trend for competing proteins and any changes in the intervention price for skimmed milk powder. These aids have not been granted since 1988 hence as for 1996 there are no appropriations for 1997.

4.5. Item 1-2024: Aid for skimmed milk processed into casein

Casein is a basic product used in industrial manufacturing. To permit its production aid is granted calculated to make the return from selling skimmed milk processed into casein the same as from selling skimmed milk powder. It is set by the management committee procedure. The expected fall in the aid rate essentially explains the fall in the appropriations.

4.6. Item 1-2025: Aid for powdered milk with a 10% fat content used as calf feed

This aid to promote disposal of skimmed milk powder as calf feed is not granted at the moment and so no appropriation is sought.

5. Other measures for butterfats (article 1-204)

The aim of these is to dispose of butter surpluses:

- Consumption aid can be granted to non profit making organizations and recipients of social assistance and also for concentrated butter.
- Other special measures are scheduled such as the granting of aid to use butterfats in production of pastry products, ice cream and other food products to be determined, aid for island areas of the Union and aid for use of butter in compound feed production. The cost of all of these measures is estimated at ECU 635.5 million for 1997, i.e. 10.6% less than for 1996. These appropriations are entered under item 1-2049.

6. Measures for other milk products (article 1-205)

6.1. Item 1-2050: Storage of cheese

Aid for storing certain cheeses produced in the Union is granted: Grana padano at least nine months old, Parmigiano-Reggiano at least fifteen months old and Provolone at least three months old. In years where a serious imbalance can be reduced or eliminated by seasonal storage aid can be granted for private storage of the long-keeping cheeses Emmental and Gruyère and of certain ewe milk cheeses (Pecorino, Kefalotyri, Kasseri).

Lower monthly aid rates for all the cheeses covered are offset by a rise in the double rate coefficient⁵ boosting expenditure but the appropriation sought for item 1-2050 in the 1997 budget is still 6.8% lower than for 1996.

6.2. Item 1-2059: Other measures

None is planned hence no appropriation is sought.

7. Other sectoral measures (article 1-206)

The co-responsibility levy was used for seventeen years (until abolished from 1 April 1993) to finance market development, promotion and publicity action, market prospection and the search for new products and also to finance in part disposal measures such as distribution of milk to schoolchildren and special disposal measures for butterfats.

New provisions for promoting consumption of milk and milk products have been adopted (see Annex 1).

7.1. Item 1-2061: School milk

The purpose of this scheme, specifically provided for in the basic Regulation, is to maintain and promote consumption of milk products by schoolchildren and so contribute to their sound nutrition. The figures for calculation of anticipated expenditure under item 1-2061 are given in the financial statement reproduced as Annex 2.

⁵ The dual rate coefficient is obtained by dividing the agricultural conversion rate by the market rate. For further explanations on monetary questions, see the special edition of *CAP Working Notes* entitled "The Agrimonetary System in the Single Market".

7.2. Item 1-2065: Premiums for definitive abandonment or reduction of milk production

To facilitate reduction of milk production and make available the quantities needed for producers who had made a non-marketing or conversion commitment, Regulation (EEC) N° 1637/91 introduced a voluntary buy-back scheme for reference quantities with effect from the 1991/92 marketing year. Community financing was restricted to 3% of the guaranteed total quantities. The EAGGF Guarantee Section was to pay ECU 120.8 per tonne per year for five years. Thus the schemes ends in 1997.

7.3. Item 1-2066: Premium for definitive cessation of milk production

This item covers expenditure on the voluntary reduction abandonment schemes introduced by Regulations (EEC) Nos 857/84 and 1336/86.

Regulation (EEC) N° 857/84 states that to complete restructuring of milk production at national, regional or collection zone level Member States may grant compensation in one or more annual payments to producers who undertake to abandon permanently all milk production or, if their reference quantity exceeds an amount to be determined, to relinquish permanently at least half that quantity.

7.4. Item 1-2068: Premium for definitive cessation or reduction of milk production

Under Regulation (EEC) N° 740/93 Portuguese milk producers who undertook to abandon milk production totally and permanently before 1 September 1993 could receive annual compensation of ECU 17 per 100 kg for three years. Cumulative financing of the programme was restricted to 75 000 t and ECU 38.5 million over the three years. Item 1-2068 has a token entry in the 1997 preliminary draft budget, the last payment having been made in 1996.

7.5. Item 1-2069: Other measures

Under Regulation (EEC) N° 739/93 temporary aid is granted to Portuguese milk producers in order to permit application of the common milk powder price in that country and so avoid having to continue application of accession compensatory amounts until 1995. The aid was set at ECU 2.50 per 100 kg of milk reducing gradually until the 1997/98 marketing year.

8. Financial contribution by milk producers (article 1-207, item 1-2071)

Under the basic Regulation and Regulation (EEC) No 3950/92, last amended by Regulation (EC) No 1883/94, an additional levy (see 2.2) has been in force since 1984. It is set at 115% of the target price for milk and is charged to producers or purchasers of all milk, whether marketed as such or in the form of other products, in excess of the reference quantity (quota) for the twelve months in question. It finances disposal of these quantities.

Since the agricultural budget assumes that quotas will not be overrun no figure is entered for additional levy collected.

9. Other measures (article 1-209)

Item 1-2090: Compensation for non-allocation of milk quotas

When the additional levy was introduced in 1984 the Community rules made no provision for assigning an individual reference quantity to producers who had not delivered or sold milk during the reference year selected by the Member State in consequence of a commitment made under Regulation (EEC) No 1078/77 introducing a system of premiums for non-marketing of milk and conversion of dairy herds ("SLOM" producers). Item 1-2090 was introduced to cover expenditure following the Court of Justice's decision requiring the Union to grant compensation for these producers' financial losses. No appropriation is entered for 1997.

ANNEX 1

Promotion measures - milk products

(ECU million)

Appropriations authorized 1996		Appropriations authorized 1997		Variation (%)	
Commitments	Payments	Commitments	Payments	Commitments	Payments
10	10	9	9	-10	-10

1. Title

Action to develop the market in milk and milk products.

2. Budget heading

B1-38.

3. Legal basis

Council Regulation (EEC) No 2073/92 and Commission Regulation (EC) No 3582/93.

4. Description

4.1. General objective

Maintain milk product consumption at its present level of strong overall demand. The stress put on liquid milk since 1994 is justified by the need to target young people from 15 to 25 years old who are adopting their own consumption habits. For them milk must be a chosen and not an imposed food. The measure is more concerned with qualitative factors than quantities.

4.2. Period covered and renewal provisions

Permanent measure - annual programme.

5. Classification of expenditure

5.1. Compulsory.

5.2. Non-differentiated appropriation.

6. Type of expenditure

100% financing of proposals selected by Commission decision from those submitted each year to the Member States' competent bodies. Payment of balance due on operations mounted the previous year.

7. Financial implications

7.1. Calculation of costs

Detailed item by item budget using eligibility criteria set in Annex III to "indirect management" type contracts. The appropriations allotted to the measure are reduced pending assessment of the effectiveness of the programmes.

7.2 .Breakdown by components of measure

8. Anti-fraud provisions

- Indirect management.
- Quarterly checks by competent bodies specified in the standard contract.
- Advance security (110%) and security against completion (15%) are required.
- Where appropriate audit of accounts and field check by Commission officials.

9. Cost/benefit analysis

9.1. Specific objectives and target population

The specific objective of the promotion is to increase average total consumption of milk products by curbing the downtrend in high consumption Member States and supporting the improvement in those where it is low. The programmes draw attention to the specific positive aspects of milk and milk products, for example as serious competitors to soft drinks.

The up to 25 age group is the main target. Some other groups (pregnant women, old people etc.) are secondary targets for whom the nutritional approach (calcium and vitamins) is relevant. For them milk must be a chosen food and no longer an imposed one.

The measure is more concerned with qualitative factors than quantities.

9.2. *Grounds for measure*

This measure is a long-term investment that can only be made collectively. The aim is to reinforce the impact of campaigns mounted by trade and inter-trade bodies in the Member States. These bodies are not strongly organized and have difficulty in mobilizing funds on a national basis. This is particularly true in southern Europe.

9.3. *Monitoring and assessment*

The only performance indicators available are the findings of "taste and attitude" surveys and of consumer surveys for the relevant period. The major difficulty is that consumption of the youthful target population is difficult to gauge owing to high location scatter (home, places of study, leisure activity locations etc.).

ANNEX 2

School milk

(ECU million)

Appropriations authorized 1996		Appropriations authorized 1997		Variation (%)	
Commitments	Payments	Commitments	Payments	Commitments	Payments
144	144	131.2	131.2	-8.9	-8.9

1. Title

School milk.

2. Budget heading

B1-2061.

3. Legal basis

Article 26 of Regulation (EEC) No 804/68.
Council Regulation (EEC) No 1842/83.

4. Description

The general aims are to maintain and promote consumption of milk products by schoolchildren and contribute to their sound nutrition. Disposal of additional quantities of milk products is a subsidiary objective.

5. Classification of expenditure

- 5.1. Compulsory expenditure.
- 5.2. Non-differentiated appropriation.

6. Type of expenditure

Subsidy to reduce the selling price of milk products distributed in schools. Member States may give complementary national aids with the result that in certain cases milk products are distributed free. Management and surveillance of the scheme is by national bodies designated by Member States.

7. Financial implications

Calculation of total cost:

- unit cost of aid: 95% of milk target price of 309.8 ecus/t,
- quantity involved: nearly 450 000 t milk equivalent.

This estimate is based both the past trend and certain specific considerations.

Up to the 1992/93 school year the total quantity distributed rose continually from 364 000 t expressed as whole milk in 1988/89 to 554 000 t in 1992/93. The amended rules in force from 1 January 1993 restricted the range of eligible products and the possibilities for using these. In addition Member States are able to further restrict the number of eligible products and exclude certain pupils from the scheme. The result was a big reduction in the total quantity subsidized to only 385 000 t in the Union of Twelve in 1994/95.

Participation in the scheme has been open to the three new Member States since accession. In Finland and Sweden consumption of milk products in schools has always been fairly large so it can be expected that from the 1995/96 school year the quantity involved will again increase substantially.

8. Anti-fraud provisions

- Restriction of the quantity of milk "aided" to 0.25 litres per pupil per day.
- Checks on supporting documents (delivery notes, invoices etc.) and on school and supplier accounts.
- Setting of maximum prices to be paid by pupils for the various products to ensure that the selling price reflects the aid granted.
- Physical checks in schools and on suppliers to check respect for the terms on which the aid is granted.

9. Cost/benefit analysis

9.1. Specific objectives and target population

- Maintaining or increasing consumption of milk products by school children.
- Fostering a milk product consumption habit that it is hoped will be maintained after school age.

- Making milk products available in schools at prices competitive with those of rival products.
- Improving the image of and knowledge of milk products by distributing or displaying nutritional and other information on them.
- The products covered are the basic ones (drinking milk, natural yoghurt and cheese) on which publicity expenditure by producers and distributors is generally fairly low; Member States have some flexibility in adjusting the range of eligible products to their consumption habits.
- The target population is the 3 to 18 age group; Member States may however exclude secondary school pupils.

9.2. Grounds of measure

The Community scheme took up the baton from national measures that at the beginning of the 80s risked being abandoned owing to lack of funds. It allowed these not only to continue but to become Union-wide. Withdrawal of the Community aid would entail their disappearance in most if not all Member States.

Up to 1993 financing was partly from the milk sector co-responsibility levy. When this was terminated the Community aid rate was reduced from 125% to 95% of the milk target price.

In 1993 in response to the Court of Auditor's observations in its report for 1992 the detailed rules of the scheme were adjusted for simplicity and greater effectiveness. A number of provisions allow the Member States to gear application of the scheme to their specific situation. This practical application of subsidiarity should increase the scheme's effectiveness.

9.3. Monitoring and assessment

An annual assessment is made using information from the Member States on

- the number of schools and pupils participating in the scheme,
- the product quantities distributed during the school year,
- the maximum prices to be paid by the pupil for the various products and the financial justification of these,
- any information campaigns implemented,
- the options taken up in applying the scheme.

In the absence of a proper survey an assessment of the recipients' reactions and attitudes to the scheme has not yet been possible.

It emerges from the information available for the 1994/95 school year that

- (a) The total quantity of products distributed has fallen sharply from previous years (see point 7 above) as a result of the adjustments to the scheme made in 1993 gearing it to distribution of basic products.

Some Member States have decided to withdraw cheese from the list of eligible products owing to surveillance problems over its distribution and the difficulty of checking the impact of the aid on the price paid by the pupil and ensuring that he is aware of the aid.

This withdrawal of a quantity of products of doubtful cost-benefit ratio results in a higher overall ratio for the remaining quantities.

- (b) Some 155 000 schools in the fifteen Member States took part in the scheme. Their 45 million pupils accounted for 42% of the eligible age group (3 to 18, except in Italy and the United Kingdom where secondary schools are excluded).

The total number of pupils regularly consuming milk products under the scheme is estimated at 23 million, i.e. 22% of the target population. This figure however hides wide divergences: in Greece less than 1% of school pupils regularly consume milk products at school, in France 47% do so, in Finland 71% and in Sweden nearly 100%.

- (c) The information available on maximum selling prices of the various products to pupils is more difficult to assess. The price demanded can vary considerably depending on packaging and mode of distribution (in a cafeteria or in the classroom, chilled or not, etc.).

It can however be concluded from the available information that the impact of the aid on the prices paid by pupils is real and that the selling price is comparable to that of the competing products, i.e. soft drinks.

EUROPEAN COMMISSION

MILK AND MILK PRODUCTS

Luxembourg: Office for Official Publications of the European Communities
1997 - 43p. - 21 x 29,7 cm
ISBN 92-827-7558-5

BELGIQUE/BELGIÉ Moniteur belge/Belgisch Staatsblad Rue de Louvain 40-42/ Leuvenseweg 40-42 B-1000 Bruxelles/Brussel Tél. (32-2) 552 22 11 Fax (32-2) 511 01 84 Jean De Lannoy Avenue du Roi 202/ Koningslaan 202 B-1060 Bruxelles/Brussel Tél. (32-2) 538 51 69 Fax (32-2) 538 08 41 E-mail jean.de.lannoy@infoboard.be Librairie européenne/Europese Boekhandel Rue de la Loi 244/ Wetstraat 244 B-1040 Bruxelles/Brussel Tél. (32-2) 295 26 39 Fax (32-2) 735 08 60	GRAND-DUCHÉ DE LUXEMBOURG Messageries du livre Sarl 5, rue Raiffeisen L-2411 Luxembourg Tél. (352) 40 10 20 Fax (352) 490 661 E-mail. mdl@pt.lu Abonnements. Messageries Paul Kraus 11, rue Christophe Plantin L-2339 Luxembourg Tél. (352) 499 88 88 Fax (352) 499 888 444 E-mail mpk@pt.lu URL www.mpk.lu NEDERLAND SDU Servicecentrum Uitgevers Christoffel Plantijnstraat 2 Postbus 20014 2500 EA 's-Gravenhage Tel. (31-70) 378 98 80 Fax (31-70) 378 97 83 E-mail. sdu@sdu.nl URL: www.sdu.nl.	SCHWEIZ/SUISSE/SVIZZERA OSEC Stampfenbachstraße 85 CH-8035 Zurich Tel. (41-1) 365 53 15 Fax (41-1) 365 54 11 E-mail urs.leimbacher@ecs.osec.inet.ch URL. www.osec.ch ČESKÁ REPUBLIKA NIS CR - prodejna Konviktská 5 CZ-113 57 Praha 1 Tel. (42-2) 24 22 94 33 Fax (42-2) 24 22 94 33 E-mail: nkposp@dec.nis.cz URL: www.nis.cz CYPRUS Cyprus Chamber Of Commerce & Industry 38, Grivas Digenis Ave Mail orders PO Box 1455 CY-1509 Nicosia Tel. (357-2) 44 95 00/46 23 12 Fax (357-2) 361 044 E-mail: cy1691_eic_cyprus@vans.infonet.com	ISRAEL R.O.Y. International 17, Shimon Hatarssi Street PO Box 13056 61130 Tel Aviv Tel (972-3) 546 14 23 Fax (972-3) 546 14 42 E-mail royil@netvision.net.il Sub-agent for the Palestinian Authority Index Information Services PO Box 19502 Jerusalem Tel. (972-2) 27 16 34 Fax (972-2) 27 12 19 RUSSIA CCEC 60-Ietiya Oktiabrya Av. 9 117312 Moscow Tel. (095) 135 52 27 Fax (095) 135 52 27
DANMARK J. H. Schultz Information A/S Herstedvang 10-12 DK-2620 Albertslund Tlf. (45) 43 63 23 00 Fax (45) 43 63 19 69 E-mail. schultz@schultz.dk URL. www.schultz.dk	ÖSTERREICH Manz'sche Verlags- und Universitäts- buchhandlung Gmbh Siebenbrunnengasse 21 Postfach 1 A-1050 Wien Tel. (43-1) 53 161 334 / 340 Fax (43-1) 53 161 339 E-mail: auslieferung@manz.co.at URL www.austria.EU.net/81/manz	MAGYARORSZÁG Euro Info Service Európa Ház Margitsziget PO Box 475 H-1296 Budapest 62 Tel. (36-1) 11 16 061/11 16 216 Fax (36-1) 302 50 35 E-mail: euroinfo@mail.matax.hu URL www.euroinfo.hu/index.htm	AUSTRALIA Hunter Publications PO Box 404 3167 Abbotsford, Victoria Tel. (61-3) 9417 53 61 Fax (61-3) 9419 71 54 CANADA Uniquement abonnements/ Subscriptions only Renouf Publishing Co. Ltd 1294 Algoma Road K1B 3W8 Ottawa, Ontario Tel. (1-613) 741 73 33 Fax (1-613) 741 54 39 E-mail renouf@fox.nstn.ca URL fox.NSTN.Ca/~renouf
DEUTSCHLAND Bundesanzeiger Verlag Breite Straße 78-80 Postfach 10 05 34 D-50667 Köln Tel. (49-221) 20 29-0 Fax (49-221) 20 29 278	PORTUGAL Imprensa Nacional-Casa da Moeda, EP Rua Marquês de Sá da Bandeira, 16 A P-1050 Lisboa Codex Tel. (351-1) 353 03 99 Fax (351-1) 353 02 94/384 01 32 Distribuidora de Livros Bertrand Ld.* Rua das Terras dos Vales, 4 A Apartado 60037 P-2701 Amadora Codex Tel. (351-1) 495 90 50/495 87 87 Fax (351-1) 496 02 55	MALTA Miller Distributors Ltd Malta International Airport PO Box 25 LQA 05 Malta Tel. (356) 66 44 88 Fax (356) 67 67 99 POLSKA Ars Polona Krakowskie Przedmiescie 7 Skr pocztowa 1001 PL-00-950 Warszawa Tel. (48-2) 26 12 01 Fax (48-2) 26 62 40	EGYPT The Middle East Observer 41, Sherif Street Cairo Tel. (20-2) 39 39 732 Fax (20-2) 39 39 732 JAPAN PSI-Japan Asahi Sanbancho Plaza #206 7-1 Sanbancho, Chiyoda-ku Tokyo 102 Tel. (81-3) 3234 69 21 Fax (81-3) 3234 69 15 E-mail psijapan@gol.com URL: www.psi-japan.com
GREECE/ΕΛΛΑΔΑ G.C. Eleftheroudakis SA International Bookstore Panepistimou 17 GR-105 64 Athens Tel. (30-1) 331 41 80/1/2/3 Fax (30-1) 323 98 21 E-mail elebooks@netor.gr	SUOMI/FINLAND Akateeminen Kirjakauppa / Akademiska Bokhandeln Pohjoisesplanadi 39/ Norra esplanaden 39 PL/PB 128 FIN-00101 Helsinki/Helsingfors Tel. (358-9) 121 41 Fax (358-9) 121 44 35 E-mail akatilaus@stockmann.mailnet.fi URL. booknet.cultnet.fi/aka/index.htm	TURKIYE Dünya Infotel A.S. Istiklal Cad. No 469 TR-80050 Tunel-Istanbul Tel. (90-212) 251 91 96 (90-312) 427 02 10 Fax (90-212) 251 91 97	SOUTH AFRICA Safto 5th Floor Export House. CNR Maude & West Streets PO Box 782 706 2146 Sandton Tel. (27-11) 883 37 37 Fax (27-11) 883 65 69
ESPAÑA Mundi Prensa Libros, SA Castello, 37 E-28001 Madrid Tel. (34-1) 431 33 99/431 32 22 Fax (34-1) 575 39 98 E-mail. mundiprensa@tsai.es URL: www.tsai.es/mprensa Boletín Oficial del Estado Trafalgar, 27-29 E-28071 Madrid Tel. (34-1) 538 22 95 (Libros)/ 384 17 15 (Suscripciones) Fax (34-1) 538 23 49 (Libros)/ 384 17 14 (Suscripciones) URL www.boe.es	SVERIGE BTJ AB Traktorvagen 11 PO Box 200 S-22100 Lund Tel. (46-46) 18 00 00 Fax (46-46) 18 01 25 E-mail: btj_tc@mail.btj.se URL www.btj.se/media/eu	HRVATSKA Mediatrade Ltd Pavla Hatza 1 HR-10000 Zagreb Tel. (385-1) 43 03 92 Fax (385-1) 44 40 59	UNITED STATES OF AMERICA Bernan Associates 4611-F Assembly Drive MD20706 Lanham Tel. (301) 459 2255 (toll free telephone) Fax (800) 865 3450 (toll free fax) E-mail query@bernan.com URL www.bernan.com
FRANCE Journal officiel Service des publications des CE 26, rue Desaix F-75727 Paris Cedex 15 Tél. (33-1) 40 58 77 01/31 Fax (33-1) 40 58 77 00	IRELAND Government Supplies Agency Publications Section 4-5 Harcourt Road Dublin 2 Tel. (353-1) 661 31 11 Fax (353-1) 475 27 60	ROMANIA Euromedia Str. G-ral Berthelot Nr 41 RO-70749 Bucuresti Tel. (40-1) 210 44 01/614 06 64 Fax (40-1) 210 44 01/312 96 46	MÉXICO Mundi-Prensa Mexico, SA de CV Río Panuco, 141 Delegación Cuauhtémoc ME-06500 México DF Tel. (52-5) 553 56 58/60 Fax (52-5) 514 67 99 E-mail 104164.23compuserve.com
ITALIA Licosa SpA Via Duca di Calabria, 1/1 Casella postale 552 I-50125 Firenze Tel. (39-55) 64 54 15 Fax (39-55) 64 12 57 E-mail licosa@fibcc.it URL: ic382.cilea.it/Virtual_Library/bibliot/vetrina/ licosa/tt1.htm	NORGE NIC Info A/S Ostenjoveien 18 Boks 6512 Etterstad N-0606 Oslo Tel. (47-22) 97 45 00 Fax (47-22) 97 45 45	SLOVAKIA Slovenska Technicka Kniznica Námestie slobody 19 SLO-81223 Bratislava 1 Tel. (42-7) 53 18 364 Fax (42-7) 53 18 364 E-mail europ@tbb1.sltk.stuba.sk	RÉPUBLIQUE DE COREE Kyowa Book Company 1 F1 Phying Hwa Bldg 411-2 Hap Jeong Dong, Mapo Ku 121-220 Seoul Tel. (82-2) 322 6780/1 Fax (82-2) 322 6782 E-mail. kyowa2@ktnet.co.kr
		SLOVENIA Gospodarski Vestnik Založniška skupina d.d. Dunajska cesta 5 SI-1000 Ljubljana Tel. (386) 61 133 03 54 Fax (386) 61 133 91 28 E-mail belicd@gvestnik.si URL. www.gvestnik.si	ANDERE LÄNDER/OTHER COUNTRIES/ AUTRES PAYS Bitte wenden Sie sich an ein Büro Ihrer Wahl / Please contact the sales office of your choice / Veuillez vous adresser au bureau de vente de votre choix



OFFICE FOR OFFICIAL PUBLICATIONS
OF THE EUROPEAN COMMUNITIES

L - 2985 Luxembourg

ISBN 92-827-7558-5



9 789282 775585 >