

WORLD TRADE ORGANIZATION

G/AG/N/URY/15

6 July 1999

(99-2775)

Committee on Agriculture

Original: Spanish

NOTIFICATION

The following notification concerning domestic support commitments (**Table DS:1** and the relevant supporting tables) for the year **1998** was received from the delegation of **Uruguay** on 22 June 1999.

Table DS:1

DOMESTIC SUPPORT: Uruguay**REPORTING PERIOD: Calendar Year 1998***Current Total Aggregate Measurement of Support*

Total AMS commitment level for period in question	Currency	Current Total AMS
(from Section I of Part IV of the Schedule)	(from Section I of Part IV of the Schedule)	(from attached Supporting Tables)
1	2	3
		Below " <i>de minimis</i> " level

The value of the Gross Value of Agricultural Production (GVAP) in 1998 was Ur\$24,455,294,000 (US\$2,326,860,000) according to preliminary estimates of the Central Bank of Uruguay.

DOMESTIC SUPPORT: Uruguay**REPORTING PERIOD: Calendar Year 1998***Measures Exempt from the Reduction Commitment - "Green Box"*

Measure type	Name and description of measure with reference to criteria in Annex 2	Monetary value of measure (in US\$)	Data sources
1	2	3	4
(a) "General services"			
	Research ¹	13,273,318	National Budget
	Extension and advisory services	5,682,146	National Budget
	Pest and disease control and inspection services ^{2,3}	12,100,086	National Budget
	Marketing and promotion services	699,098	National Budget
	PREDEG - Farm Conversion and Development Programme ⁴	7,351,647	National Budget

¹ Includes budgetary counterpart of IDB Technology Generation and Transfer Project 949 amounting to US\$1,656,238.

² Budgetary outlays for Inspection Services cannot be separated from Pest and Disease Control: both are included in Animal and Plant Health programmes.

³ Includes budgetary counterpart of IDB Animal Health System Strengthening Project 938 amounting to US\$907,958.

⁴ Budgetary counterpart of Project 947 with IDB support. Components: training, research, extension and advisory, and marketing and promotion services.

DOMESTIC SUPPORT: Uruguay**REPORTING PERIOD: Calendar Year 1998***Measures Exempt from the Reduction Commitment - Special and Differential Treatment - "Development Programmes"*

Measure type	Name and description of measure with reference to criteria in Article 6:2	Monetary value of measure	Data sources
1	2	3	4
(a) Investment subsidies generally available to agriculture		11,556,446*	Planning and Budget Office

* Includes the budgetary counterparts of the following projects: 747 Rural Development (IFAD) US\$2,233,752, 748 Water and Natural Resource Development (World Bank) US\$9,322,714.

DOMESTIC SUPPORT: Uruguay**REPORTING PERIOD: Calendar Year 1998***Product-Specific Aggregate Measurements of Support: Non-Exempt Direct Payments*

Description of basic product	Calendar year beginning 1/1/98	Measure type(s)	Applied administered price	External reference price (generally from AGST/...)	Eligible production	Total price-related direct payments	Other non-exempt direct payments (US\$)	Associated fees/levies	Total direct payments (US\$)	Data sources
1	2	3	4	5	6	7 ((4-5)*6)	8	9	10 (7+8-9)	11
Deciduous fruit trees, citrus trees – PREDEG ¹		Partial refund of costs					576,921		576,921 ²	PREDEG budget
Vines – PREDEG		Partial refund of costs					680,693		680,693 ³	PREDEG budget

¹ PREDEG: Farm Conversion and Development Programme.

² This support represents 0.5 per cent of *estimated* gross value of production for the fruit sector (1998).

³ This support represents 1.0 per cent of *estimated* gross value of production for the vine-growing sector (1998).

(See explanatory tables attached.)

PREDEG: NON-EXEMPT DIRECT PAYMENTS - 1998

Deciduous fruit trees and citrus trees:

Twenty-five per cent of the direct standard cost per hectare of planting deciduous trees and citrus trees is refunded to small and medium-sized fruit growers, up to a maximum of 15 hectare per grower.

Total	US\$576,921
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Wine growing:

- The standard cost per hectare of clearing old vine stocks is refunded to small and medium-sized wine growers.

US\$186,749

- Twenty-five per cent of the direct standard cost per hectare of planting new vine stock is refunded to small and medium-sized wine growers, up to 5 hectares per grower.

US\$493,944

Total wine growing	US\$680,693
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GROSS VALUE OF AGRICULTURAL PRODUCTION (GVAP) AT PRODUCER PRICES (IN THOUSANDS OF CURRENT US\$)

	<u>1996</u>	<u>1998</u>
Total agriculture	2,287,793	2,326,860
Crop-farming sub-sector	1,025,966	992,080
Fruit	112,678	114,608*
Grapes for wine-making	68,210	69,375*

*Estimated figures. Only aggregate GVAP available at present. The figures indicated were estimated on the assumption that the contribution of these items to the total for crop farming was the same as in 1996.

Source: Central Bank of Uruguay.

DOMESTIC SUPPORT: Uruguay**REPORTING PERIOD: Calendar year 1998***Product-Specific Aggregate Measurements of Support: Other Product-Specific Support and Total Product-Specific AMS*

Description of basic product	Calendar year 1998	Measure type(s)	Other product-specific budgetary outlays	Other product-specific support (include calculation details)	Associated fees/levies	Total other product-specific support	Market price support (Supporting Table DS:5)	Non-exempt direct payments (Supporting Table DS:6)	Total AMS (US\$)	Data sources
1	2	3	4	5	6	7 (4+5-6)	8	9	10 (7+8+9)	11
Wheat		Subsidized interest rate ²	-	0	-	0	-	-	0	¹
Coarse grains		"	-	0	-	0	-	-	0	
Oil-seeds		"	-	0	-	0	-	-	0	
Rice		"	-	0	-	0	-	-	0	
Sugar		"	-	0	-	0	-	-	0	
Beet		"	-	0	-	0	-	-	0	
Sugar cane		"	-	0	-	0	-	-	0	
Fruit, vegetables, tobacco, cotton, etc.		"	-	0	-	0	-	-	0	
Livestock		"	-	0	-	0	-	-	0	

¹Central Bank of Uruguay (Statistical Bulletin) and *Banco de la República Oriental del Uruguay* (BROU).

²There was no subsidization of interest rates for the agricultural sector (see BROU's basic interest rate for the agricultural sector and the preferential market interest rate in the attached table).

URUGUAY

INTEREST RATES IN NATIONAL CURRENCY

Calendar Year 1998 (in %)

Month	Private bank preferential (six-month fixed term)	BROU Basic for agricultural sector
January	34.0	40
February	34.7	40
March	33.6	40
April	42.3	35
May	29.2	35
June	26.9	35
July	26.2	30
August	28.6	30
September	25.2	30
October	29.2	30
November	28.6	30
December	28.5	30
Annual average	30.6	33.75

Source: Central Bank of Uruguay and *Banco de la República Oriental del Uruguay*.

DOMESTIC SUPPORT: Uruguay
REPORTING PERIOD: Calendar Year 1998

Non-Product-Specific AMS

Measure type(s)	Calendar year 1/1/1998	Non-product- specific budgetary outlays	Other non-product- specific support (include calculation details) (in US\$)	Associated fees/levies	Total non- product-specific support	Data sources
1	2	3	4	5	6 (3+4-5)	7
Exemption from payment of global tariff (CET) on imports of agricultural inputs from non-MERCOSUR countries ¹		-	4,438,524 ^{2, 3}	-	4,438,524	General Agricultural Services Directorate and Soil and Water Directorate of the Ministry of Agriculture (MGAP). Chamber of Veterinary Specialities <i>Banco de la República Oriental del Uruguay</i> . Central Bank of Uruguay.

¹ Inputs from MERCOSUR countries pay a tariff of 0 per cent.

² The estimate takes into account the fiscal loss from not applying the MERCOSUR Common External Tariff (CET) to imports of inputs from non-MERCOSUR countries.

³ This figure represents 0.19 per cent of the 1998 Gross Value of Agricultural Production (GVAP). 1998 GVAP was Ur\$24,455,294,000 (US\$2,326,860,000) according to preliminary estimates of the Central Bank of Uruguay.