

WORLD TRADE ORGANIZATION

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(99-4777)

Committee on Agriculture

Original: Spanish

NOTIFICATION

Revision

The following revision of the 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 15 October 1999.

The delegation of Uruguay is attaching the revision of the supporting tables DS:2 and DS:6 and the table on Gross Value of Agricultural Production (GVAP) at Producer Prices.

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 | | 7,766.314* | 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\$5,532,562.

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 0.53 per cent of *estimated* gross value of production for deciduous fruit trees and citrus trees (1998).

³ This support represents 0.91 per cent of *estimated* gross value of production for the vine-growing sector (table grapes and grapes for wine) (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 |
|--------------|--------------------|

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 |
|---------------------------|--------------------|

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 | 114,602* |
| Fruit of deciduous and citrus trees | 107,020 | 108,847* |
| Table grapes | 5,658 | 5,755* |
| 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 BROUS'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.