



31 January 2022

(22-0764)

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Committee on Agriculture

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NOTIFICATION

The following submission, dated 13 January 2022, is being circulated at the request of the delegation of **Iceland**. The notification concerns domestic support commitments (**Table DS:1** and the relevant supporting tables) for the **Calendar Year 2020**.

Table DS:1 and the relevant supporting tables of the notification contain information and AMS calculations **with inflation adjustment**. The corresponding data and calculations **without inflation adjustment** can be found in the notes to the relevant tables.

Table DS:1

DOMESTIC SUPPORT: ICELAND

REPORTING PERIOD: CALENDAR YEAR 2020

Current Total Aggregate Measurement of Support

Total AMS commitment level	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
130.1		91.8*

* Current Total AMS **without inflation adjustment** equals 104.1 million SDR. (see Supporting Table DS:4)

General notes:

1 SDR = ISK 52.1100 (AVG exchange rate for 1988).

1 SDR = ISK 188.5200 (AVG exchange rate for 2020).

Supporting Table DS:1

DOMESTIC SUPPORT: ICELAND

REPORTING PERIOD: CALENDAR YEAR 2020

Measures exempt from the reduction commitment - "Green Box"

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value ISK, million	Data Sources	Note
1	2	3	4	
2. General Services				
2 (a). Research	Agricultural Productivity Fund	128	Central Government Accounts	
	Research of vegetation resources, genetic resources and forestry	39.8	Central Government Accounts	
	Subtotal:	167.8		
2 (b). Pest and disease control	Compensation Fund	8.3	Central Government Accounts	
	Subtotal:	8.3		
2 (d). Extension and advisory services	Bovine animal breeding and development programs	275.6	Central Government Accounts	
	Advisory services; organic advisory services; forestry programs	380.8	Central Government Accounts	
	R. & D. projects in horticulture, sheep and cattle farming	99.7	Central Government Accounts	
	Agricultural statistics and econometrics	7	Central Government Accounts	
	Subtotal:	763.1		
2 (e). Inspection services	Food and Veterinary Authority of Iceland	1,487.4	Central Government Accounts	
	Subtotal:	1,487.4		
2 (f). Marketing and promotion services	Production balance program	105.4	Central Government Accounts	
	Higher-value sheep products marketing program	104.6	Central Government Accounts	
	Subtotal:	210		
2 (h). Other general services	Various appropriations to agriculture	240.4	Central Government Accounts	
	Subtotal:	240.4		
	Subtotal General Services	2,877		
6. Decoupled income support	Decoupled income support for sheep farmers	2,405.1	Central Government Accounts	
	Subtotal:	2,405.1		

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value ISK, million	Data Sources	Note
1	2	3	4	
8. Payments for relief from natural disasters	Prevention of animal diseases	129	Central Government Accounts	
	Subtotal:	129		
11. Structural adjustment assistance provided through investment aids	Cattle breeding program; investment	154.6	Central Government Accounts	
	Investment aid for farmers	368.8	Central Government Accounts	
	Recruitment program	138.6	Central Government Accounts	
	Subtotal:	662		
13. Regional assistance programmes	Regional support to sheep farmers	154.7	Central Government Accounts	
	Subtotal:	154.7		
Grand Total Green Box		6,227.9		

Supporting Table DS:3

DOMESTIC SUPPORT: ICELAND

REPORTING PERIOD: CALENDAR YEAR 2020

Measures exempt from the reduction commitment – Direct Payments under Production-Limiting Programmes – "Exempt Direct Payments"

Measure Type	Name and description of measure with reference to criteria in Article 6.5	Monetary value ISK, million	Data Sources	Note
1	2	3	4	
(a) Payments based on fixed area and yields	Family farm and regional support	206.2	Central Government Accounts	
	Land cultivation and farmland payments	780.1	Central Government Accounts	
	Subtotal:	986.3		
(c) Livestock payments made on a fixed number of head	Dairy and beef cattle	1,714.2	Central Government Accounts	
	Sheep	0	Central Government Accounts	
	Goat	16.1	Central Government Accounts	
	Subtotal:	1,730.3		
Grand Total Blue Box		2,716.7		

Supporting Table DS:4

DOMESTIC SUPPORT: ICELAND

REPORTING PERIOD: CALENDAR YEAR 2020

Calculation of the Current Total Aggregate Measurement of Support

Description of basic products (including non-product specific AMS)	Product specific AMS (from ST DS:5 to DS:7) ISK, million	Product-specific EMS (from ST DS:8) ISK, million	Total (2 + 3) ISK, million	Value of production ISK, million	Support as a % of value of production	Current Total AMS ISK, million	Note
1	2	3				4	
Milk	14,458.6		14,458.6	20,375	71%	14,458.6	(1)
Horticulture	599.4		599.4	5,302	11%	599.4	
Sheep	2,244.9		2,244.9	9,760	23%	2,244.9	
Non-product-specific AMS(from ST/DS:9)							
TOTAL						17,302.9	(1)

General notes:

Current Total AMS in **SDR (million)** equals 91.8 (1 SDR = ISK 188.5200 (AVG exchange rate for 2020)).

Notes:

- (1) The support for Milk without inflation adjustment equals ISK 16,775.8 million. This amount represents 82% of the Value of Production of milk (2020). Taking into account the support provided to Milk **without inflation adjustment**, the Current Total AMS for the year 2020 would amount to **ISK 19,620.1 million**. Current Total AMS **without inflation adjustment** in **SDR (million)** equals 104.1 (1 SDR = ISK 188.5200 (AVG exchange rate for 2020)). (See Supporting Table DS:5 for calculation details on inflation adjustment)

Supporting Table DS:5

DOMESTIC SUPPORT: ICELAND

REPORTING PERIOD: CALENDAR YEAR 2020

Product-Specific Aggregate Measurements of Support: Market Price Support

Description of basic products	Reporting Year			Measure Types	Applied administered price	External reference price (generally from AGST)	Eligible production	Associated fees/levies	Total market price support ((4-5)*6)-7	Data Sources	Note
	Type	From	To								
1	2			3	ISK	ISK	6	ISK, million	ISK, million	9	
Milk	CY	01-01-20	31-12-20	Market price support	92.75/Kilogram	22.79/Kilogram	140,503.9 thousand kilograms	0	9,829.0	Statistics Iceland, Ministry of Industries and Innovation	(1)
Total Milk									9,829		

General notes:

- (1) No market price support was provided to sheepmeat, beef, horsemeat, pigmeat, poultrymeat and eggs.
- (2) 1 SDR = ISK 52.1100 (AVG exchange rate for 1988); 1 SDR = ISK 188.5200 (AVG exchange rate for 2020).

Notes:

- (1) The External Reference Price (ERP) **without inflation adjustment** corresponds to 6.30 ISK/Kilogram. The Market Price Support value resulting from applying the Annex 3 formula of the Agreement on Agriculture taking into account the unadjusted ERP value corresponds to ISK 12,146.2 million (i.e., (92.75 ISK/Kilogram – 6.30 ISK/Kilogram)*140,503.9 tonnes)

Supporting Table DS:6

DOMESTIC SUPPORT: ICELAND

REPORTING PERIOD: CALENDAR YEAR 2020

Product-Specific Aggregate Measurements of Support: Non-Exempt Direct Payments

Description of basic products	Reporting Year			Measure Types	Applied administered price	External reference price (generally from AGST)	Eligible production	Total price related direct payments ((4-5)*6)	Other non exempt direct payments	Associated fees/levies	Total direct payment (7+8-9)	Data Sources	Note
	Type	From	To										
1	2			3	ISK	ISK	6	ISK, million	ISK, million	ISK, million	ISK, million	11	
Milk	CY	01-01-20	31-12-20	Direct payments; Milk					4,629.6		4,629.6	Central Government Accounts	
Total Milk											4,629.6		
Horticulture	CY	01-01-20	31-12-20	Direct payments; cucumbers, peppers and tomatoes					294.8		294.8	Central Government Accounts	
Horticulture	CY	01-01-20	31-12-20	Electricity subsidies					304.6		304.6	Central Government Accounts	
Total Horticulture											599.4		
Sheep	CY	01-01-20	31-12-20	Direct payments; wool					463.8		463.8	Central Government Accounts	
Sheep	CY	01-01-20	31-12-20	Direct payments; quality control scheme					1,781.1		1,781.1	Central Government Accounts	
Total Sheep											2,244.9		

Supporting Table DS:7

DOMESTIC SUPPORT: ICELAND

REPORTING PERIOD: CALENDAR YEAR 2020

Product-Specific Aggregate Measurements of Support: Other Product-Specific Support and Total Product-Specific AMS

Description of basic products	Reporting Year			Measure Types	Other product-specific budgetary outlays	Other product-specific support (with calculation details)	Associated fees/levies	Total other product-specific support (4+5-6)	Market price support (from ST DS:5)	Non-exempt direct payments (from ST DS:6)	Total AMS (7+8+9)	Data Sources	Note
	Type	From	To										
1	2			3	ISK, million	ISK, million		ISK, million	ISK, million	ISK, million	ISK, million	11	
Total Milk									9,829	4,629.6	14,458.6		(1)
Total Horticulture										599.4	599.4		
Total Sheep										2,244.9	2,244.9		

Notes:

- (1) Taking into account the Market Price Support value **without inflation adjustment** for Milk (ISK 12,146.2 million), the Total AMS for Milk under column 10 would read ISK 16,775.8 million.