



27 March 2024

(24-2666)

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Committee on Agriculture

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### NOTIFICATION

The following submission, dated 21 March 2024, 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 2023**.

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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 2023

*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		130.8*

\* Current Total AMS without inflation adjustment equals 143.05 million SDR. (See Supporting Table DS:4).

General notes:

- 1 SDR = ISK 52.1100 (AVG exchange rate for 1988).
- 1 SDR = ISK 184.0400 (AVG exchange rate for 2023).

Supporting Table DS:1

**DOMESTIC SUPPORT: ICELAND**

REPORTING PERIOD: CALENDAR YEAR 2023

*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	Research of vegetation resources, genetic resources and forestry	46	Central Government Accounts	
	<b>Subtotal:</b>	<b>46</b>		
2 (b). Pest and disease control	Compensation Fund	8	Central Government Accounts	
	<b>Subtotal:</b>	<b>8</b>		
2 (d). Extension and advisory services	Bovine animal breeding and development programs	291	Central Government Accounts	
	Advisory services; organic advisory services; forestry programs	488	Central Government Accounts	
	R & D projects in horticulture, sheep and cattle farming	126	Central Government Accounts	
	Agricultural statistics and econometrics	7	Central Government Accounts	
	<b>Subtotal:</b>	<b>912</b>		
2 (e). Inspection services	Food and Veterinary Authority of Iceland	2,320	Central Government Accounts	
	<b>Subtotal:</b>	<b>2,320</b>		
2 (f). Marketing and promotion services	Production balance program	125	Central Government Accounts	
	Higher-value sheep products marketing program	126	Central Government Accounts	
	<b>Subtotal:</b>	<b>251</b>		
2 (h). Other general services	Various appropriations to agriculture	138	Central Government Accounts	
	<b>Subtotal:</b>	<b>138</b>		
	<b>Subtotal General Services</b>	<b>3,675</b>		
6. Decoupled income support	Decoupled income support for sheep farmers	2,320	Central Government Accounts	
	<b>Subtotal:</b>	<b>2,320</b>		
8. Payments for relief from natural disasters	Prevention of animal diseases	123	Central Government Accounts	

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	
	<b>Subtotal:</b>	<b>123</b>		
11. Structural adjustment assistance provided through investment aids	Cattle breeding program; investment	242	Central Government Accounts	
	Investment aid for farmers	345	Central Government Accounts	
	Recruitment program	159	Central Government Accounts	
	Non-recurring investment aid for farmers	450	Central Government Accounts	(1)
	Non-recurring addition to recruitment program	600	Central Government Accounts	(1)
	<b>Subtotal:</b>	<b>1,796</b>		
12. Environmental programmes	Carbon neutrality in horticulture	18	Central Government Accounts	
	<b>Subtotal:</b>	<b>18</b>		
13. Regional assistance programmes	Regional support to sheep farmers	189	Central Government Accounts	
	<b>Subtotal:</b>	<b>189</b>		
<b>Grand Total Green Box</b>		<b>8,121</b>		

Notes:

- (1) Non-recurring support payments and general support were a part of a support package which was intended to meet difficult market conditions i.a. due to increasing input prices and cost of capital due to high inflation.

## Supporting Table DS:3

### DOMESTIC SUPPORT: ICELAND

REPORTING PERIOD: CALENDAR YEAR 2023

*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	703	Central Government Accounts	
	Land cultivation and farmland payments	959	Central Government Accounts	
	Green house farming payments	44	Central Government Accounts	
	Non-recurring additional land cultivation and farmland payments	450	Central Government Accounts	(1)
	<b>Subtotal:</b>	<b>2,156</b>		
(c) Livestock payments made on a fixed number of head	Dairy and beef cattle	2039	Central Government Accounts	
	Goat	18	Central Government Accounts	
	Non-recurring additional payments; dairy and beef cattle	100	Central Government Accounts	(1)
	<b>Subtotal:</b>	<b>2,157</b>		
<b>Grand Total Development Programmes</b>		<b>4,313</b>		

Notes:

- (1) Non-recurring support payments and general support were a part of a support package which was intended to meet difficult market conditions i.a. due to increasing input prices and cost of capital due to high inflation.

## Supporting Table DS:4

### DOMESTIC SUPPORT: ICELAND

REPORTING PERIOD: CALENDAR YEAR 2023

*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)	Product-specific EMS (from ST DS:8)	Total (2 + 3)	Value of production	Support as a % of value of production	Current Total AMS	Note
	ISK, million	ISK, million	ISK, million	ISK, million		ISK, million	
1	2	3				4	
Milk	20,242.6		20,242.6	21,394	94.6%	20,242.6	(1)
Beef	242		242	3,616	6.7%	242	
Horticulture	792		792	5,946	13.3%	792	
Sheep	2,803		2,803	9,220	30.4%	2,803	
<b>Non-product-specific AMS(from ST/DS:9)</b>							
<b>TOTAL</b>						<b>24,079.6</b>	

General note:

(1) Non-recurring support payments and general support were a part of a support package which was intended to meet difficult market conditions i.a. due to increasing input prices and cost of capital due to high inflation.

(2) Current Total AMS in **SDR (million)** equals 130.8 (1 SDR = ISK 184.0400 (AVG exchange rate for 2023)).

Notes:

(1) The support for Milk **without inflation adjustment** equals ISK 22,490.6 million. This amount represents 105.1% of the Value of Production of milk (2023). Taking into account the support provided to Milk **without inflation adjustment**, the Current Total AMS for the year 2023 would amount to ISK 26,327.6 million. Current Total AMS **without inflation adjustment** in SDR (million) equals 143.05 (1 SDR = ISK 184.0400 (AVG exchange rate for 2023)). (See Supporting Table DS:5 for calculation details on inflation adjustment).

## Supporting Table DS:5

### DOMESTIC SUPPORT: ICELAND

REPORTING PERIOD: CALENDAR YEAR 2023

#### 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	4	5	6	7	8	9	
Milk	CY	01-01-23	31-12-23	Market price support	121/Kilogram	22/Kilogram	144,380 thousand Kilograms	0	14,293.6	Statistics Iceland, Ministry of Food, Agriculture and Fisheries	(1)
<b>Total Milk</b>									<b>14293.6</b>		

General note:

(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 184.0400 (AVG exchange rate for 2023).

Note:

(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 16,541.6 million (i.e., (120.87 ISK/Kilogram – 6.30 ISK/Kilogram)\*144,379.845 tonnes).

Supporting Table DS:6

DOMESTIC SUPPORT: ICELAND

REPORTING PERIOD: CALENDAR YEAR 2023

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	4	5	6	7	8	9	10	11	
Beef	CY	01-01-23	31-12-23	Direct payments; quality premiums					242	0	242	Central Government Accounts	
<b>Total Beef</b>											<b>242</b>		
Horticulture	CY	01-01-23	31-12-23	Direct payments; cucumbers, bell peppers and tomatoes					344	0	344	Central Government Accounts	
Horticulture	CY	01-01-23	31-12-23	Electricity subsidies					448	0	448	Central Government Accounts	
<b>Total Horticulture</b>											<b>792</b>		
Milk	CY	01-01-23	31-12-23	Direct payments					5,449	0	5,449	Central Government Accounts	
Milk	CY	01-01-23	31-12-23	Non-recurring additional direct payments					500	0	500	Central Government Accounts	(1 )
<b>Total Milk</b>											<b>5,949</b>		



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	4	5	6	7	8	9	10	11	
Sheep	CY	01-01-23	31-12-23	Direct payments; wool					714	0	714	Central Government Accounts	
Sheep	CY	01-01-23	31-12-23	Direct payments; quality control scheme					2,089	0	2,089	Central Government Accounts	
<b>Total Sheep</b>											<b>2,803</b>		

General note:

Non-recurring support payments and general support were a part of a support package which was intended to meet difficult market conditions i.a. due to increasing input prices and cost of capital due to high inflation.

Supporting Table DS:7

DOMESTIC SUPPORT: ICELAND

REPORTING PERIOD: CALENDAR YEAR 2023

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										
					ISK, million	ISK, million		ISK, million	ISK, million	ISK, million	ISK, million		
1	2			3	4	5	6	7	8	9	10	11	
Total Milk									14,293.6	5,949	20,242.6		
Total Beef										242	242		
Total Horticulture										792	792		
Total Sheep										2,803	2,803		

General notes:

- (1) Taking into account the Market Price Support value **without inflation adjustment** for Milk (ISK 16,541.6 million), the Total AMS for Milk under column 10 would read ISK 22,490.6 million.