STATE-TRADING ENTERPRISES

Notifications Pursuant to Article XVII:4(a)

BELGIUM

I. Enumeration of State-trading enterprises

Because of economic and financial difficulties resulting from the war, a Decree Law was enacted on 25 January 1945 creating a public institution entitled the Food Supply Office (OCRA) in order to solve supply problems existing at that time in Belgium.

The Office was responsible for purchasing or arranging for the purchase under government control and according to its instructions, whether in Belgium or abroad, of all supplies required by the population and for selling such supplies to approved distributors.

In 1949, when it appeared that conditions were suitable for a return to a market economy, the Office was closed down (by a Decree issued by the Regent on 30 May 1949).

Having regard to the political situation in the world, however, the Government considered that it could not completely abolish the Office and the facilities which it afforded for immediately ensuring imports of foodstuffs if international circumstances were to make this necessary.

In addition, the Office should be able to continue to act in order to ensure stocks of certain essential commodities. Accordingly, the Decree providing for the closing down of the Office also stated that to the extent necessary, the Office would nevertheless continue the commercial activities that had been entrusted to it by the Decree Law of 1945.

After 1949, the Office was only occasionally engaged in import and export transactions.

Such transactions related mainly to imports in the post-war period, but take place also in the domestic market.
The products imported or exported through the Food Supply Office are the following:

1. Wheat
2. Dairy products
3. Meat

II. Reason and purpose for introducing and maintaining State-trading enterprises

The OCRA acts as an official regulator for internal agricultural markets, within the context of the specific provisions of the various EEC regulations.

In practice, the OCRA has also retained the task originally entrusted to it, that is to say:

(a) to import foodstuff if international circumstances were to make this necessary;
(b) to ensure stocks of certain essential foodstuffs, when necessary;
(c) to regulate prices of imported foodstuffs in the event of any abnormal increase in the price of staple foodstuffs.

These latter activities, which were based on the provisions of the Decree Law of 22 February 1945, have been reduced in recent years.

The products imported or exported through the OCRA are as follows:

- grains (exports only under a system of tenders);
- milk and cream, fresh, not concentrated or sweetened (tariff item 04.01) have been imported through the OCRA since 1 November 1965.

Before that date, in addition to these products, milk, cream, yoghurt, koffiemelk, evaporated milk and butter were also imported through the OCRA, exports remaining free.

Action may be taken to establish a sound situation in the internal market in respect of the following products:
1. Wheat

In particular, the OCRA was made responsible for supervising the export and denaturing of domestic wheat.

The following table shows the tonnages exported or denatured in recent crop years:

<table>
<thead>
<tr>
<th>Crop year</th>
<th>Exports</th>
<th>Amount denatured</th>
</tr>
</thead>
<tbody>
<tr>
<td>1962/63</td>
<td>145,000 t</td>
<td>35,000 t</td>
</tr>
<tr>
<td>1963/64</td>
<td>220,000 t</td>
<td>-</td>
</tr>
<tr>
<td>1964/65</td>
<td>190,000 t</td>
<td>-</td>
</tr>
</tbody>
</table>

With respect to wheat exports, the OCRA organizes the tenders procedure and submits the results to the Ministry of Agriculture.

2. Other grains

Since Belgium is normally an importer of coarse grains, there is nothing particular to report in this sector beyond the fact that at the beginning of the 1963/1964 crop year the OCRA organized a tenders procedure for the export of 5,000 tons of barley.

3. Dairy products

Within the context of the general provisions of Regulation 13/64 adopted by the Council of the EEC on 5 February 1964, providing for the progressive establishment of a common organization of the market for milk and dairy products, which entered into force on 1 November 1964, the OCRA acts as the intervention agency and accordingly purchases at the "intervention price", holds surplus butter in stock, allocates premiums on stocks and supervises surplus summer butter held in cold storage by the private sector.

The OCRA is also responsible for carrying out any special measures for the disposal of surplus butter, for example, sales of butter that has been transformed into melted butter.

The following tables show the activities of the OCRA in the dairy sector:
Action by the OCRA in Regard to Stocks

<table>
<thead>
<tr>
<th>Year</th>
<th>Private sector</th>
<th>OCRA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1962</td>
<td>4,551 t</td>
<td>9,938 t</td>
</tr>
<tr>
<td>Year 1963</td>
<td>7,473 t</td>
<td>857 t</td>
</tr>
<tr>
<td>Year 1964</td>
<td>7,990 t</td>
<td>179 t</td>
</tr>
</tbody>
</table>

- Imports

(a) Butter

In view of the disparity between prices in foreign markets and in the internal market, all imports were carried out by the Office up until 1 November 1964 when the EEC regulation entered into force. Since that date the OCRA has not intervened as either importer or exporter, and trade takes place in accordance with the provisions of the EEC regulations.

Imported butter was resold to the private trade for sale in the domestic market. Imports by the Office were designed to regulate internal prices by ensuring sufficient supplies in the market.

Imports were as follows:

- 1962: nil
- 1963: 280 t value 15,914,000 F
- 1964: 2,529 t value 155,432,000 F

(b) Fresh and evaporated milk

The Office imported milk to make up the shortfall of milk required for direct consumption.

- 1964 - fresh milk: 11,170 t value 42,205,000 F
  - evaporated milk: 600,000 litres value 7,104,000 F

(c) Koffiemelk

- 1962: 802,120 litres value 15,875,121 F
- 1963: 1,218,910 litres value 19,946,517 F
- 1964: 1,310,506 litres value 23,568,717 F
(d) Yoghurt

- 1962: 69,627 litres, value 839,701 francs
- 1963: 119,017 litres, value 1,241,932 francs
- 1964: 107,866 litres, value 1,286,181 francs

- Exports

Production surpluses of dairy products were exported by private exporters, subject to payment of a subsidy that varied according to the country of destination and the nature of the product.

The State intervened in the following exports of surpluses:

(a) Butter - 1962: 6,246 tons
    1963: 4,471 tons
    1964: 348 tons

(b) Evaporated milk - 1962: 54,228 cartons of 48 tins, each of 14 ozs.
    1963: 206,640 cartons of 48 tins, each of 14 ozs.
    1964: 203,655 cartons of 48 tins, each of 14 ozs.

(c) Wholemilk powder - 1962: 7,490 tons
    1963: 13,188 tons
    1964: 9,951 tons

(d) Skimmed milk powder - 1962: 4,214 tons
    1963: 207 tons
    1964: 329 tons

(e) Cheese - 1962: 1,323 tons
    1963: 3,422 tons
    1964: 5,063 tons

4. Meat

Purchases of beef, pork, horse meat and mutton for consumption by the Army.

These purchases are made in the domestic market through a system of public tenders. If the internal market situation is such that sufficient supplies are not available for the Army, the OCRA invites tenders from Belgian firms specialized in meat import trade. In considering these tenders it takes account solely of commercial criteria (quality, price).
Purchases in the Internal Market

<table>
<thead>
<tr>
<th>Year</th>
<th>Beef</th>
<th>Veal</th>
<th>Mutton</th>
</tr>
</thead>
<tbody>
<tr>
<td>1962</td>
<td>2,096 tons</td>
<td>316 tons</td>
<td>17 tons</td>
</tr>
<tr>
<td>1963</td>
<td>1,841 tons</td>
<td>320 tons</td>
<td>21 tons</td>
</tr>
<tr>
<td>1964</td>
<td>-</td>
<td>260 tons</td>
<td>63 tons</td>
</tr>
</tbody>
</table>

- **Imports**

  For Army requirements:
  - 1962: beef 791 tons, value 17,542,000 F
  - 1963: no imports
  - 1964: beef: 2,316 tons, value 71,454,000 F
    - pork: 295 tons, value 10,597,000 F
    - horse meat: 44 tons, value 10,130,000 F

- **Cattle imports for the Ministry of Agriculture, for the preparation of foot-and-mouth disease vaccine**

  Foot-and-mouth disease vaccine is produced in laboratories of the Ministry of Agriculture which therefore need to have cattle available from countries in which there have been no outbreaks of the disease. The animals imported are loaned to the laboratories in return for payment of a premium, and after slaughter the meat is transferred to the suppliers.

  Cattle imports through the OCRA were as follows:
  - 1962: 4,751 head
  - 1963: 3,557 head
  - 1964: 4,031 head

- **Imports by the private sector with OCRA intervention**

  There was a sharp increase in meat prices in 1964 because of a supply shortage resulting from a reduction in the total herd following slaughterings and exports in the preceding year. In order to remedy the situation, partial refunds were granted on imports of live cattle and beef.

  The following quantities were imported by the private sector:
  - live cattle: 48,875 head
  - beef: 2,090 tons
Exports

In order to regulate domestic market prices the Office intervened in exports of cattle and meat by granting export premiums.

The exports affected were as follows:

- in 1962: live cattle: 732 tons
  beef: 2,147 tons
  pork: 1,391 tons

- in 1963: live cattle: 23,932 tons
  beef: 10,167 tons
  pork: 62 tons
  veal: 2,805 tons

- Exports in 1963 on which the premiums were paid in 1964:

  live cattle: 4,565 tons
  beef: 13 tons
  veal: 14 tons
  live calves: 110 tons

III. Description of the functioning of the State-trading enterprises

Nil.

IV. Statistical information

See annexes.

V. Reasons why no foreign trade has taken place in products affected

Nil.

VI. Additional information

Nil.
## BUTTER

<table>
<thead>
<tr>
<th>Year</th>
<th>Imports Kingdom</th>
<th>of which OCRA</th>
<th>Exports Kingdom</th>
<th>Domestic production</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>tons</td>
<td>1,000BF</td>
<td>tons</td>
<td>1,000BF</td>
</tr>
<tr>
<td>1960</td>
<td>128</td>
<td>8,328</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1961</td>
<td>121</td>
<td>4,994</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1962</td>
<td>41</td>
<td>1,814</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1963&lt;sup&gt;1&lt;/sup&gt;</td>
<td>6,776</td>
<td>214,485</td>
<td>280</td>
<td>15,914</td>
</tr>
<tr>
<td>1964&lt;sup&gt;1&lt;/sup&gt;</td>
<td>15,996</td>
<td>673,810</td>
<td>2,529</td>
<td>135,432</td>
</tr>
</tbody>
</table>

<sup>1</sup>Including butter imported for processing, for re-export after incorporation in other products.

<sup>2</sup>All exports are effected by the private sector.

**In 1961:** 7,639 tons belonging to the OCRA, value 249 million francs, of which 137 tons in mixture form, were exported by the private sector.

**In 1962:** 5,612 tons of butter belonging to the OCRA were exported by the private sector, value 179 million francs, but of this 3,072 tons were in the form of foodstuff mixtures.

**In 1963:** 1,573 tons of butter exported, value 52.7 million francs, belonging to the OCRA, were transferred to the private sector for export.

**In 1964:** None of the quantities exported belonged to the OCRA.
<table>
<thead>
<tr>
<th>Year</th>
<th>Beef Imports</th>
<th>Beef Exports</th>
<th>All meats Production</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Kingdom T</td>
<td>of which OCRA T</td>
<td>Kingdom T</td>
</tr>
<tr>
<td>1957</td>
<td>10,744</td>
<td>1,794</td>
<td>648</td>
</tr>
<tr>
<td>1958</td>
<td>7,467</td>
<td>2,897</td>
<td>8,230</td>
</tr>
<tr>
<td>1959</td>
<td>5,534</td>
<td>1,486</td>
<td>6,590</td>
</tr>
<tr>
<td>1960</td>
<td>8,532</td>
<td>1,782</td>
<td>4,299</td>
</tr>
<tr>
<td>1961</td>
<td>12,471</td>
<td>2,570</td>
<td>460</td>
</tr>
<tr>
<td>1962</td>
<td>16,890</td>
<td>791</td>
<td>2,166</td>
</tr>
<tr>
<td>1963</td>
<td>20,405</td>
<td>-</td>
<td>10,753</td>
</tr>
<tr>
<td>1964</td>
<td>22,760</td>
<td>2,316</td>
<td>2,984</td>
</tr>
</tbody>
</table>