Submission No 7

Australia's trade with Mexico and the Region

Organisation:	**Australian Dairy Industry Council Inc**
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Joint Standing Committee on Foreign Affairs, Defence and Trade
Trade Sub-Committee

Australian Dairy Industry Council Inc.

5 December 2006

Mr Robert Little
Secretary
Joint Standing Committee on Foreign Affairs, Defence and Trade
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Mr Little,

Re: Inquiry into Australia's Trading with Mexico and the Region

The Australian Dairy Industry appreciates the opportunity to make a submission on Australia's dairy trade with Mexico and the regions of Central America and the Caribbean.

The attached submission prepared for the industry by Dairy Australia addresses all of the terms of reference, with particular emphasis on:

- The nature of Australia's existing trade and investment relations
- Likely future trends in these relations; and
- The role of the government in identifying and assisting Australian companies to maximise opportunities in Mexico and the region.

The Australian Dairy Industry views Mexico and the regions of Central America and the Caribbean as collectively an important export destination. Preferential access granted to competitors, however, as a result of bilateral trade agreements is or can potentially erode the competitiveness of Australian origin dairy products in respective market-places. In this vein the Industry would strongly support Government initiatives to improve trading relationships.

The industry would be available to testify to the Committee.

Please contact Robert Pettit, Manager - Americas and Caribbean, Trade and Strategy Group, Dairy Australia if further advice is sought on the submission. His contact details are 0417 546 942 and rpettit@dairyaustralia.com.au. Alternatively I can be contacted on (03) 9642 8044 or aburgess@australiandairyfarmers.com.au.

Yours sincerely,

Allan Burgess
Chairman

cc: Mr Paul Kerr, President, Australian Dairy Products Federation

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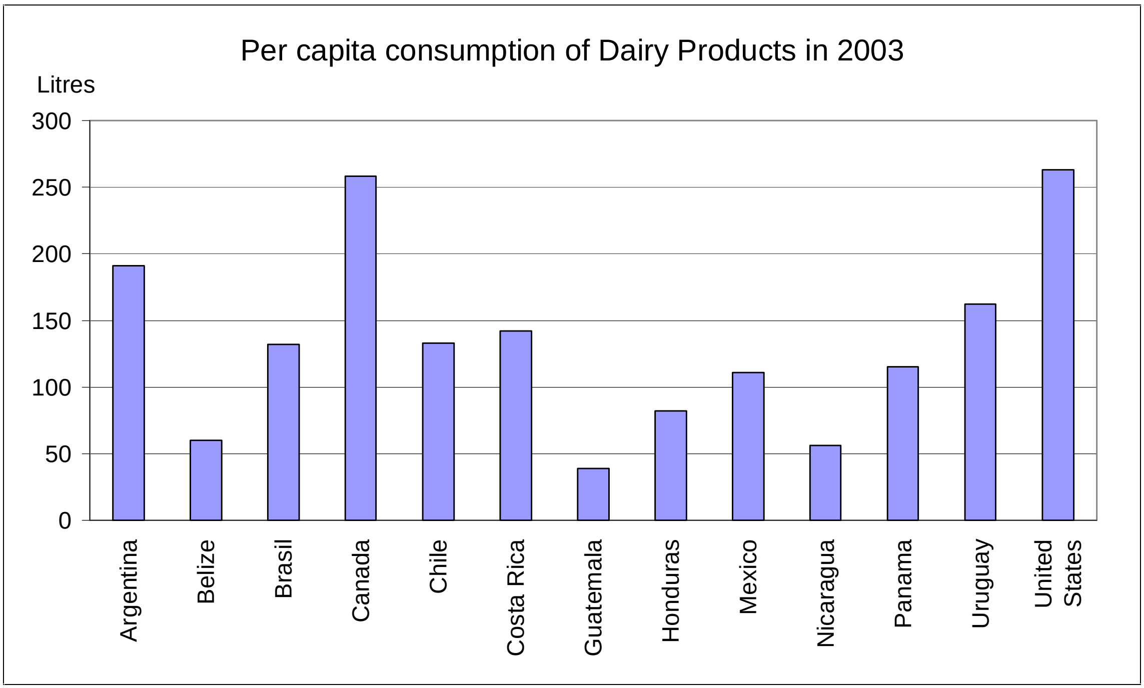
The Submission addresses the principal terms of reference in order but initially establishes a framework for the comments.

Introduction

Mexico and Central American countries have considerable scope to increase per capita consumption of dairy products. Compared to per capita consumption in the United States of 263 litres in 2003 (the most recent data) Mexico's level is less than half and Central American nations range between less than one-sixth and slightly over half.



Context: Imports of Dairy Products from all Origins

Collectively Mexico, Central America and the Caribbean are major importers of dairy products, particularly for skim milk powder and whole milk powder. Their combined share of international trade in 2005 was 19.3 per cent (195,628 tonnes) and 16.5 per cent (167,730 tonnes) respectively.

Trade in butteroil, other 'concentrated' milk proteins such as casein and milk protein concentrate, cheese, condensed milk and infant formula are collectively substantial but not of the same magnitude as milk powders.

Australia is a relatively small player in Mexico and the regions compared to competitors such as the European Union and New Zealand, the two largest dairy exporting nations and the United States. Other important competitors are the Mercosur nations of Argentina and Uruguay and in selective markets Chile. Colombia, Brasil and Peru also export but volumes are small.

Exports originating from Australia have fluctuated considerably over the period reaching a peak of 42,414 tonnes in 2002 compared to only 19,554 tonnes in 2004. Mexico is the main destination, accounting for between 44 per cent in 2001 and 58 per cent in 2003 of the total.

	2000	2001	2002	2003	2004	2005
Mexico	16,487	13,464	23,819	13,626	10,348	12,134
Total (Mexico + Cent. Amer)	22,939	18,274	30,580	18,527	15,217	19,391
Grand total (MX + Cent. Amer + Carribean)	**29,635**	**30,931**	**42,414**	**23,639**	**19,554**	**22,190**
Mexico's share (+ Central America)	*72%*	*74%*	*78%*	*74%*	*68%*	*63%*
Mexico's share (+ Central America & Caribbean)	*56%*	*44%*	*56%*	*58%*	*53%*	*55%*

In value terms returns from the three market-places ranged between A$61.4 million in 2004 and A$119.7 million in 2001, noting that dairy commodity prices went into a sustained upswing from mid 2003. Mexico was easily the most valuable return market, achieving a share of between 43.3 per cent in 2001 and 61.8 per cent over the period.

	Export to:	2000	2001	2002	2003	2004	2005
Mexico Only	Mexico	**56,566,962**	**51,766,549**	**66,303,382**	**39,619,615**	**34,262,736**	**49,523,463**
Caribbean	Caribbean	**20,918,742**	**48,396,273**	**37,903,754**	**14,526,533**	**12,737,039**	**8,016,666**
Central America	Costa Rica			35,908	43,451	960,140	904,385
	El Salvador	1,781,215	7,861,616	5,298,168	3,764,471	5,591,358	8,717,695
	Guatemala	5,491,306	6,327,225	6,884,721	7,336,299	7,567,390	11,991,854
	Honduras	1,102,697	734,550	3,492,265	708,505	128,705	931,184
	Nicaragua	128,721	2,493,102	1,240,701			
	Panama	10,282,338	811,070	36,642	37,829	154,552	
	Puerto Rico	380,405	1,261,471	205,015			
Central America	**Total - Cent. Amer**	**19,166,682**	**19,489,034**	**17,193,420**	**11,890,555**	**14,402,145**	**22,545,118**
Grand total		96,652,386	119,651,856	121,400,556	66,036,703	61,401,920	80,085,247
Percentage shares		**2000**	**2001**	**2002**	**2003**	**2004**	**2005**
Mexico		58.5%	53.6%	68.6%	41.0%	35.4%	51.2%
Caribbean		21.6%	50.1%	39.2%	15.0%	13.2%	8.3%
Central America		19.8%	20.2%	17.8%	12.3%	14.9%	23.3%

The export volumes from 2003 to 2005 were influenced by lower export availability from Australia as a result of the very severe and persistent drought since 2002 reducing milk production and relatively tight supply creating a sellers market.

<u>Mexico:</u>
The dairy trade magnet in the region is Mexico the fourth ranked dairy importing nation globally in the period 2000 to 2005. Only the USA, Japan and the EU (marginally) are ranked higher. The average import level including mixtures was 637,533 tonnes over the six year period 2000 to 2005 but masks substantial growth in volume; up by 57 per cent. Australia is a relatively small supplier with shares, on a volume basis, ranging between 1.3 per cent (2005) and 3.6 per cent (2002). Appendix Bi provides more detail of the global trading relationship.

In the period Mexico ranked number one as the largest butteroil and skim milk powder importer; fifth in cheese, twelfth in whole milk powder and thirty-eighth in butter. Mexico is also a huge importer of dairy blends and to a lesser extent value added milk protein products such as casein and milk protein concentrate. The blends enter at zero duty and are designed to avoid quota (cupos) limits on milk powder imports.

Total imports have grown considerably in the six year period 2000 to 2005; expanding in volume by 57 percent to 790,597 tonnes and by value 106 percent to US$1.788 billion.

Mexico also acts as a trade hub to the countries of Central America and to a lesser extent the Caribbean and the United States. This is reflected in growth of re-exporting value added dairy products and ingredients – refer to Appendix Bii.

Mexican exports (that is value adding re-exports) have grown steadily, albeit from a small base in the period 2000 to 2005. While tariff busting and/or value added re - exports to the United States of AMF/sugar blends and caseinates respectively make up nearly two fifths of the total by volume (39.2 per cent), averaged over the period; there has been a steady growth in destinations other than the U.S.; from 30,385 tonnes in 2000 to 46,293 tonnes in 2005.

The other important destinations are largely Central American (Guatemala, Belize, Nicaragua, Panama, El Salvador, Honduras, Costa Rica and with lesser volumes to the Caribbean (Puerto Rica, Dominican Republic) and South America. Collectively exports to Central America averaged 23,806 tonnes over the six year period or 41 per cent of the total.

While Mexico applies zero duty rates on imports of butteroil and skim milk powder (SMP) the most favoured nation (WTO) bound rates are high and mfn applied tariff rates for other dairy products such as cheese are substantial and act as a disincentive to trade ex-Australia because of shipping distances locally produced and preferential access competition.

In addition to FTA's with major economies Mexico has trade agreements with Central American nations, enabling the earlier to act as value adding food manufacturing hub. This also applies to the Caribbean nations where Australia has had an extended history of spot dairy trade.

Mexico will remain a major dairy import market offering an increasingly wide array of market opportunities as household disposable incomes rise and consumer demand becomes more sophisticated.

Central America
Central America is a modest but growing region for dairy exports with volumes rising from 95,300 tonnes in 2000 to 119,900 tonnes in 2005.

The largest categories are milk powders (whole and skin), infant formula and cheese. The major importing nations are Guatemala followed by El Salvador and Panama; refer to Appendix C.

Central America has considerable growth potential in terms of milk production, particularly in Nicaragua. Political and economic stability prompting more sustainable economic growth may result, however, in rising production being matched by growing consumer demand for dairy products; maintaining and enhancing opportunities for trade and value adding respectively.

Caribbean:
Import demand is substantially larger than that of Central America; approximately double. The major dairy product imports are milk powders (whole especially and skim) condensed milk and cheese. Import volumes have expanded slightly over the period, from 232,927 tonnes in 2000 to 245,477 tonnes in 2006. The major destinations in order are Cuba, Dominican Republic and Trinidad and Tobago – refer to Appendix D.

The Caribbean is likely to remain a sizeable import market because of lack of suitability for dairying (tropical climate, competing land uses associated with relatively scarce availability and an under-developed dairy infrastructure). Australian involvement in Caribbean dairy trade has been ad hoc; the challenges of a long supply line, both in terms of shipping distance and customer interface and specifically when compared to competitors in the context of a highly competitive market place where spot pricing and multiple sourcing can be paramount. This market situation makes it more difficult to establish long term client (buyer) relationships.

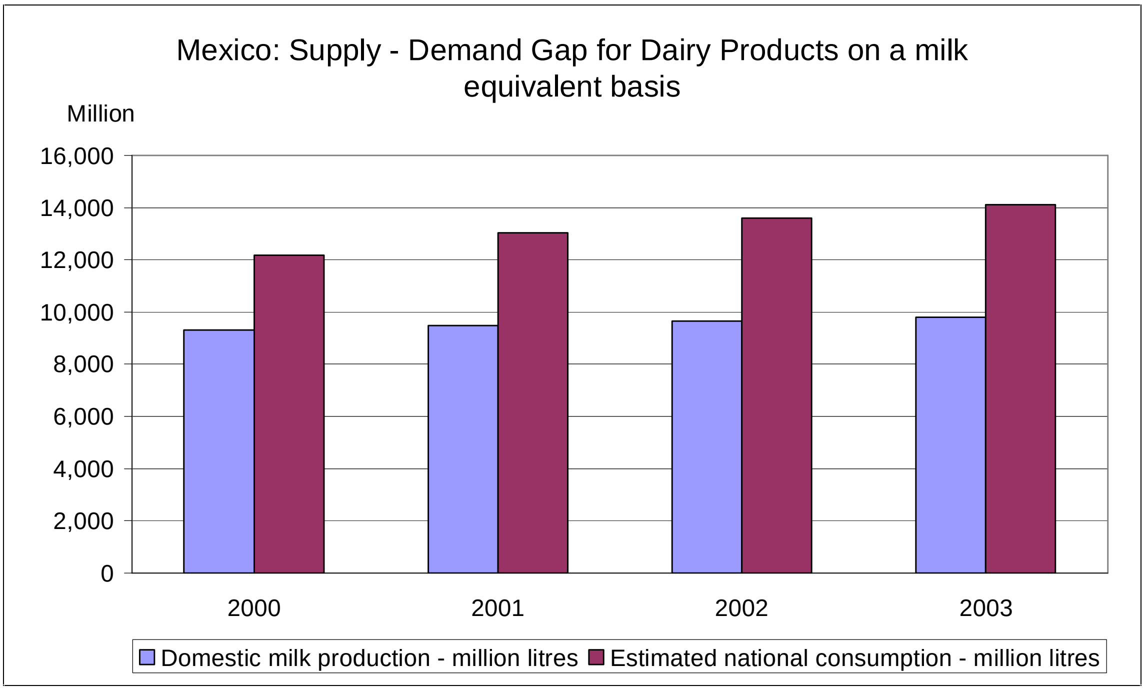
As a result the focus of the submission by the Australian Dairy Industry is on the commercially more attractive market places of Mexico and Central America.

The nature of Australia's existing trade and investment relations

Mexico:
Key characteristics of the Mexican dairy market are;

- Domestic milk production is growing due to enhanced productivity, especially on larger farms
- Imports, however, are absolutely essential to meet a large proportion of demand; currently around 30 per cent on a milk equivalent basis. This situation will not change
- As of 2008 all USA origin imports, including powdered milk, are duty free
- The Government will support the industry for both political and rural development reasons
- The purchasing power of the population limits the size of the valued added market but rising household disposable incomes and a middle class estimated at 20 million people will expand the customer base considerably in the medium-term to long-term
- The retail market is changing in favour of the large supermarkets as the cold chain develops
- Price is important but "brands" play an important role in consumer purchasing decisions
- The dairy supply chain, particularly at the processing level is continuing to consolidate
- Foreign direct investment tends to concentrate in the value added dairy segments

As the chart below highlights Mexico has traditionally been a milk deficit nation; ranging in the period 2000 to 2003 between 24 per cent and 30 per cent of total demand. The deficit may narrow in percentage terms in the next five years but with dairy demand growing the actual volume, on a milk equivalent basis, will remain very substantial.



Source: Landell Mills report on 'The Mexican Dairy Market'; commissioned by Dairy Australia in 2005

The focus of the Australian Dairy Industry's involvement with Mexico is trade. This is not to preclude future direct investment but a broadening and deepening of the economic relationship in addition to greater product availability ex-Australia are necessary pre-requisites.

The value of Australian origin dairy exports have fluctuated considerably in the six year period 2000 to 2005; from A$66.3 million in 2002 before troughing at A$34.2 million in 2004 and then rebounding strongly to A$49.5 million in 2005. Trade volumes have been influenced by a number of factors; prime being:

- Lower export availability. Milk production in Australia peaked at 11.2 billion litres in 2001/02 before declining to 10.1 billion litres in 2005/06 and a further decline as a result of the very severe and persistent drought is anticipated in 2006/07
- Changing characteristics of trade reflecting the on-going evolution of Australia's product mix from a commodity to a value added dairy ingredients approach
- The playing field has titled against Australia's competitiveness as a result of growing preferential access achieved by dairy exporting nations such as the United Sates, Chile and Uruguay
    - ➢ The sharp decline in cheese exports ex-Australia from 3,689 tonnes in 2001 to three hundred and sixty five tonnes in 2005 reflects lower export availability, the attractiveness of alternative markets such as Japan and the United States and the substantially higher tariffs when compared to nations with preferential bilateral access; and
    - ➢ In spite of total cheese imports rising from 66,266 tonnes in 2001 to 78,588 tonnes in 2005; refer to Appendix E regarding Australian origin exports
- The strength of dairy commodity prices since the upswing began in mid 2003 and reflecting relatively tight supply has resulted in strong demand for Australian origin dairy products and dairy ingredients in the major export destinations of East and North Asia, South-East Asia, Middle East and USA.
    - ➢ The evolution of Australia export product mix, shifting from a commodity to a value added approach is reflected in exports to Mexico; with the 'milk protein' trade moving away from the commodity skim milk powder to higher value milk protein concentrate, casein and caseinates; refer to Appendix E

<u>Central America</u>
The Central American market for dairy products contains a wide degree of diversity, reflecting stages of economic and political development among the seven nations; Guatemala, Belize, Costa Rica,

Panama, Honduras, El Salvador and Nicaragua. Per capita incomes in 2005 are substantially below those of Mexico's US$6,938; ranging from US$895 in Nicaragua to US$ 4,786 in Panama; see Appendix G and table below.

This can be attributed largely to the degree of political stability with Honduras, El Salvador and Nicaragua slowly rebuilding their societies from the economic and political turmoil of the 1980's.

	2000	**2001**	**2002**	**2003**	**2004**	**2005**	**Index in 2005: Mexico = 100**
Mexico	5,948	6,255	6,585	6,248	6,757	6,938	100
Belize	3,331	3,485	3,494	3,583	3,665	3,787	54.6
Costa Rica	4,059	4,086	4,110	4,187	4,349	4,491	64.7
Dominican Republic	2,392	2,576	2,540	1,889	2,104	3,182	45.9
El Salvador	2,091	2,157	2,193	2,265	2,340	2,467	35.6
Guatemala	1,728	1,835	1,987	2,074	2,229	2,515	36.2
Honduras	928	972	966	996	1,046	1,107	16.0
Nicaragua	794	811	780	779	836	895	12.9
Panama	3,939	3,927	4,007	4,146	4,473	4,786	69.0
Australia (2005)						31,900	459.8

In view of the income disparities, defining generic characteristics of the Central American dairy market is difficult. Similarities, however, include:

- Need for greater investment in the industry across the whole of the supply chain to sustainably boost productivity and profitability and confidence to expand
- Similarly for infrastructure including power, roads and education
- The relative low purchasing power of the population in hindering growth in consumption of dairy products
- Self sufficiency in milk varies hugely with Guatemala, Panama, Honduras and El Salvador milk deficit compared to milk surplus Nicaragua and Costa Rica
- Most dairy farming operations in Central America are pasture based. The specialized dairy areas tend to be located at altitudes of one-thousand metres and higher where pastures are greener for longer periods of the year, but where hilly terrain places considerable pressure on cow condition and resulting milk yield
  - ➢ Dairying does occur in the tropical lowlands but feed availability is not as high quality in the highlands, reducing cow milk yield
- Labor supply is plentiful and inexpensive but this can act as a disincentive to capital investment and achieving sustainable productivity growth to reduce costs of raw milk production
- Processors with the exception of Dos Pinos in Costa Rica are small. Along with small herd sizes this reflects the fragmented nature of the industry. Making coordinated industry policy making challenging
- Specialization is also an issue with a substantial proportion of total cattle numbers dual purpose dairy-beef animals; hindering genetic development of herds to maximize milk production and evolution of a specialised dairy farming sector
- Specialized dairy herds utilize both pasture and purchased feed; but the supply line from the corn growing belt of the United States is long; adding to the costs of production relative to that of imports
- Milk production can be highly seasonal especially from the smaller producers; sharply increasing (doubling) during the rainy season compared to the dry season. This can have a major and deleterious impact upon the price that farmers receive, in turn impacting upon processors who in the dry season are using their plants at less than capacity, creating processing inefficiencies, noting that;
  - ➢ As a consequence of low incomes and wide spread poverty a large portion of dairy products are purchased at outdoor (wet) markets, smaller food stores and informally, including door-to-door sales. These dairy products are produced in "kitchen type" facilities or in small plants where sanitary conditions may not be monitored by respective governments.

Australia's dairy exports to Central American nations are modest but showed a strong rebound in 2005, rising to 7,257 tonnes compared to 6,452 tonnes in 2000. The major destinations are

Guatemala and El Salvador, reflecting on-sale to other regional destinations from the earlier. Both nations, along with Panama are milk deficit; refer to Appendix F. Exports cover a wide range of dairy products, including milk and whey powders, cheeses and butterfat (butter, butteroil).

The nature of trade, however, has altered with an emphasis on value adding rather than commodity business. The brand 'Australian Pride', developed by Australian Dairy Goods Pty. Ltd. was launched successfully at the retail level. Australian Pride is now the number two retail brand behind Nestle in the fresh milk alternative category; with a 15 per cent market share in 2006; see photos below.

Source is Australian Dairy Goods Pty. Ltd. Guatemala

A similar strategy is being tested in the Caribbean.

Impediments to trade

Impediments in November 2006 to Australia's dairy trade are diverse but can be placed in two broad categories, namely:

- Direct trade barriers, and
- Erosion of competitive position through bilateral trade agreements.

In <u>Mexico</u> Australian origin dairy products are contesting two access barriers:

- Mexican Customs reclassification of milk protein concentrates to a tariff line that doubles the duty to 20 per cent and
- Imposition of a value added tax on imports of milk proteins in the form of casein. While the VAT is refunded between four and six months later this presents cash flow challenges, especially to small businesses
- Mexico's wide range of free trade agreements involves granting preferential dairy access to competing suppliers; the United States, Uruguay and Chile. The EU and Mercosur nations. (Argentina, Uruguay and Brazil) all with exportable surpluses of milk are also seeking to preferential access to Mexico, the largest developing country importer and 4th largest globally in the period 2000 to 2005
  - The NAFTA (USA – Mexico) agreement offers the greatest benefit with all tariffs and quotas on dairy trade being progressively phased out between over a fourteen year period to 1 January 2008. The United States is a growing dairy exporter across a wide range of products and is very competitive in milk protein such as skim milk powder and whey protein products including whey protein concentrates and isolates
  - For example under NAFTA, Mexico tariffs on fluid milk and cheese imported from the US declined to zero in 2003 compared to third country suppliers such as Australia where <u>cheese</u>

tariffs range between twenty per cent and 125 per cent. Appendix I details the most favoured nation (WTO) dairy tariff schedule that is faced by Australian origin product

In Central America the major barriers currently are:

- Restrictive access and
- Non-tariff access requirements

Depending on the country and product, Australian origin dairy product faces a range of different tariff rate quotas (TRQ's) and import tariffs as high as 65 per cent while the WTO permits tariffs as high as 100 per cent; refer to Appendix I for a 'sample' (Guatemala) of the dairy tariffs applying in Central America.

The principal non-tariff requirement is physical inspections of dairy plants in Australia, for approval to export to countries in Central America. Panamanian and El Salvadorian inspectors visited dairy plants in Australia in 2005 and 2006 respectively. The inspectors from El Salvador in October 2006 conducted a review of interested dairy export registered establishments. The costs of the review are to be covered by the participating Australian dairy export registered establishments. At the exit meeting the reviewers advised that:

- Observations included requirement to complete the programmed maintenance of floors and installation of non-hand operated taps in amenities areas
- AQIS is required to confirm that observations made and included in their reports were addressed[1]

Physical inspections are expensive and time consuming to organize. Per Diem payments are required and only the plants inspected are actually approved for export. Additionally approvals may need to be reviewed periodically.

The Caribbean region covering a diverse range of islands and cultural backgrounds and stages of economic development also has a wide range of dairy tariffs among the major importing islands; ranging from duty free access in (Trinidad and Tobago) for dairy products to tariff rate quotas (TRQ's) and high to prohibitive out-of-quota tariffs in the Dominican Republic - refer to Appendix I.

Possibly the most prominent impediment is the TRQ regime established for milk powder (whole and skim) by the Dominican Republic. Access to the Dominican Republic market for powdered milk (skim and whole) is controlled through an annual (July to June) 32,000 tonne quota. An in-quota tariff rate of 20 per cent is applied while a commercially unfeasible out-of-quota rate of 56 per cent is applied.

The TRQ of 32,000 tonnes is allocated seventy per cent to the EU (22,400 tonnes), fifteen per cent to New Zealand (4,800 tonnes) and 'Other' WTO member countries the residual 15 per cent. The 'Other[2]' country quota is open to intense price competition from the highly competitive industries of Uruguay and Argentina and potentially Brazil. The TRQ is almost solely filled by whole milk powder as the product is a value added substitute for fresh milk.

The TRQ does not need to be altered, for example expanded unless it is agreed as part of a multilateral (Doha Round) trade commitment by the Dominican Republic.

Likely Future Trends in these relations.

Influential trends in the next ten years (2007 to 2016) are:

- Solid economic growth generally in Mexico, Central America and the Caribbean. For example the Mexican Institute of Finance Executives forecasts economic growth will accelerate from 3.2 per cent in 2007 to 6.8 per cent in 2012 with both inflation and interest rates remaining relatively low; refer to Appendix J
- Population growth to average in the region of two per cent and three per cent annually

[1] AQIS: 'Dairy Industry Notice' issued on 26th November 2006 to all Dairy Export Establishments, page 3.
[2] While not explicitly stated in the MOU or WTO notification, New Zealand and EU origin product appears to be excluded from the 'Other suppliers' category.

- Expanding household disposable incomes combined with population growth will result in higher food consumption both in total and per person; noting that dairy is a staple food in many of the countries
- Mexico and the Caribbean will remain a major milk deficit nation and region respectively
  - While the milk deficit gap may shrink in percentage terms, Central America imports of dairy products are still likely to be substantial in volume terms
- Efficient farm to market place distribution will remain a major challenge in most Central American nations because of need to substantially upgrade infrastructure
- Producer groups are likely to resist trade liberalization because of their livelihood. This will result in periodic or ongoing pressure on respective Governments to assist dairy farmers
  - At the same time, however, trade is likely to increase between Mexico and the two regions and within the latter as a result of economic agreements
- Import competition is likely to intensify as major or emerging dairy exporting nations either consolidate their access commitments; for example USA into Mexico; Central America and the Dominican Republic (NAFTA and CAFTA – DR respectively) along with Chile and Uruguay into Mexico
  - With the EU and Mercosur nations also seeking preferential access in dairy
  - For example on 5th August 2004 when the United States signed CAFTA-DR agreement[3] the dairy chapter establishes a two-track approach with the objective of achieving free trade within twenty years. The first step is the establishment of reciprocal duty free TRQ's, with the exception of the Dominican Republic, which will provide additional access for the United States
  - The second and concurrent step involves the immediate elimination on in-quota tariffs on dairy products. The over-quota dairy import tariffs, subject to a safeguards clause, are phased out over a twenty year transition period allowing for some products a time frame of ten or fifteen years
  - The safeguard measure only applies until tariffs are fully eliminated
- Growing economic integration especially between North America (Mexico and United States) and Central America, however, is likely to offer expanded opportunities for customer tailored dairy products and dairy ingredients
- Mexico will remain by far the most important export destination in volume, value and value-adding terms; the latter involving re-export
- Competition at the commodity end of dairy trade will remain intense with narrow margins. The prospects are more promising for value added ingredients and/or branded product reflecting the strategic competitive focus of Australian dairy processors

The role of Government in Identifying and assisting Australian companies to maximise opportunities in Mexico and the region

The Federal Government plays a very important role through:

- Working with the Dairy Industry to maintain existing access rights for dairy products
- Facilitating introductions to potential business partners
- Supplying market intelligence to complement what the Dairy Industry obtains from contacts and commissioned reports
- Advising on political and economic developments, and
- Opening doors to contacts in the Government and relevant Ministries, particularly 'trade' and 'agriculture'

Of most importance, however, from the viewpoint of maximizing commercial opportunities is actively seeking to broaden and deepen the economic relationship, beginning with Mexico.

The proposal for Australia to participate in an 'experts group' with their Mexican counterparts is welcomed and strongly supported by the Australian Dairy Industry. The sheer size of import demand and growing sophistication of the Mexican dairy market offers major potential for increased trade across a wide range of dairy product and ingredients containing milk fat and/or milk protein, provided a comprehensive FTA can be agreed with Mexico.

[3] US-CAFTA-DR involves Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua.

The Government also needs to be proactive in ensuring that imports ex-Australia are not, at the very least, disadvantaged competitively by technical barriers, for example physical inspection of factories. In this regard recognition of AQIS food safety regulations by relevant Government authorities in Central American countries such as El Salvador and Panama would be trade beneficial.

Appendix A: Consumption of Dairy Products on a Milk Equivalent Basis: Comparisons within the Americas

Per Capita Dairy Product Consumption in 2003: Milk Equivalent Basis

In an number of countries the data are estimates

	Litres	**Benchmark: USA = 100**	**Country economic status**	**Dairy consumption status**
Argentina	191	73	Developing	Mature but varies substantially depending on economic growth
Belize	60	23	Developing	Growth potential
Brasil	132	50	Developing	Stagnant but could increase with sustained economic growth
Canada	258	98	Developed	Mature and low growth potential
Chile	133	51	High income developing	Potential for growth because of strong economic performance
Costa Rica	142	54	Developing	Growth potential
Guatemala	39	15	Developing	High increase potential if economic growth becomes sustainable
Honduras	82	31	Least developed	Solid growth potential
Mexico	111	42	High income developing	Potential for growth because if economic performance is strong
Nicaragua	56	21	Least developed	High increase potential if economic growth becomes sustainable
Panama	115	44	Developing	Growth potential
Uruguay	162	62	Developing	Mature
United States	263	100	Developed	Mature and low growth potential

Sources: FAOSTAT and Dairy Australia trade contacts

Sources: FAOSTAT and Dairy Australia industry contacts

Appendix Bi: Mexico's Ranking as a Dairy Importer from 2000 to 2005

									Change: 2005 v	
Ranking	**Importer**	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**Average**	**tonnes**	
1	Japan	774,523	777,539	760,431	770,646	783,917	772,501	773,259	-2,022	-
2	USA	546,538	617,538	654,728	700,091	767,846	794,598	680,223	248,060	4
3	EU	587,545	819,093	680,541	758,499	554,311	467,439	644,571	-120,106	-2
4	Mexico	504,134	565,825	593,887	635,181	735,575	790,597	637,533	286,463	5
5	Russia	344,449	428,575	401,812	503,813	558,264	600,148	472,844	255,698	7
6	Philippines	296,915	331,626	349,683	362,819	427,972	383,024	358,673	86,109	2
7	China	247,961	230,189	299,722	357,596	404,890	400,000	323,393	152,039	6
8	Malaysia	245,905	306,829	308,348	310,121	297,980	301,657	295,140	55,751	2
9	Singapore	175,354	191,311	217,550	233,302	274,315	307,761	233,265	132,407	7
10	Thailand	194,872	204,856	227,877	243,757	243,713	232,317	224,565	37,445	1
11	Hong Kong	233,283	220,727	209,476	189,671	201,853	206,318	210,221	-26,965	-1
12	Indonesia	166,837	171,519	172,283	188,075	258,098	263,476	203,381	96,639	5
13	Sth Korea	176,555	177,357	181,341	182,994	212,818	224,317	192,564	47,762	2
14	Taiwan	181,254	180,198	199,133	188,644	193,817	190,301	188,891	9,048	
15	Canada	155,670	161,558	155,888	177,649	187,761	203,918	173,741	48,248	3
16	Brazil	318,174	153,875	227,180	96,522	69,677	89,394	159,137	-228,781	-7
17	Venezuela	116,327	121,088	92,384	99,531	95,606	126,503	108,573	10,175	
18	Switzerland	101,944	104,004	102,049	104,249	107,240	114,219	105,618	12,275	1
19	Australia	92,861	97,291	87,514	101,664	117,269	120,223	102,804	27,362	2
20	South Africa	42,092	35,213	40,560	43,004	40,353	69,434	45,109	27,342	6
21	Peru	44,245	39,014	38,965	29,014	35,727	35,422	37,065	-8,823	-1
22	Argentina	25,282	34,427	12,933	47,224	49,701	22,370	31,990	-2,911	-1
23	Colombia	27,209	38,257	25,705	15,579	18,455	20,142	24,225	-7,068	-2
24	Ukaine*	n.a	n.a	26,062	29,070	30,259	43,549	32,235	n.a	
25	India**	1,598	707	911	29,529	24,588	9,066	11,066	7,468	46
26	Uruguay*	n.a	n.a	3,433	4,137	8,085	15,325	7,745	n.a	

Appendix Bii: Mexico as a Dairy Re-exporter from 2000 to 2005

Tonnes								**Change 2005 v 2000**	
Location Sold	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**Average**	**tonnes**	**%**
Argentina	788	885	184	226	331	147	483	-641	-81.4%
Australia	*0*		*0*	*5*	*28*	*74*	8	74	139471.7%
Austria					0	99	0	99	#DIV/0!
Bahamas		34		0			11		#DIV/0!
Belgium	61		20	20		0	34	-61	-99.5%
Belize	129	48	105	64	62	462	82	333	258.7%
Bolivia			29	232	298	235	186	235	#DIV/0!
Brazil	777	299	42	79	318	84	303	-693	-89.2%
Canada	815	21	1,045	1,769	1,327	1,041	995	226	27.7%
Chile	1,138	913	526	661	579	746	764	-392	-34.5%
China	22	182	53		4	200	65	178	815.3%
Colombia	209	164	1,371	2,124	2,470	2,031	1,268	1,823	873.2%
Costa Rica	1,068	1,260	1,709	1,723	1,751	2,210	1,502	1,141	106.8%
Cuba	530	539	342	443	391	406	449	-124	-23.4%
Denmark			0				0		#DIV/0!
Dominican Republic	504	515	606	732	555	500	582	-4	-0.8%
Ecuador	322	245	107	1,214	603	1,076	498	754	234.4%
El Salvador	4,355	4,954	5,288	4,663	4,761	5,731	4,804	1,377	31.6%
Finland					0		0		#DIV/0!
France	0	0	0	0	1	0	0	0	-30.5%
Georgia			0				0		#DIV/0!
Germany	0	100	3	2	1	1	21	1	13870.0%
Greece					0	0	0	0	#DIV/0!
Grenada					1		1		#DIV/0!
Guatemala	7,943	8,694	7,918	8,949	8,979	12,708	8,496	4,766	60.0%
Guyana			8		1		4		#DIV/0!
Haiti		85	2			3	44	3	#DIV/0!
Honduras	3,057	3,799	4,145	4,022	3,896	5,192	3,784	2,135	69.8%
Hong Kong	0						0	0	-100.0%
Hungary		48					48		#DIV/0!
India		0	0				0		#DIV/0!
Indonesia	109	83		0		0	64	-108	-99.6%
Ireland				18	40		29		#DIV/0!
Israel				31	21	21	26	21	#DIV/0!
Italy	0	0	0	0	0	0	0	0	-68.2%
Jamaica	3	172	761	18	48	27	200	24	827.3%
Japan	0	0	0	26	10	18	7	17	19639.3%
Kazakhstan					0		0		#DIV/0!
Korea, South	10	0				0	5	-10	-100.0%
Luxembourg					12		12		#DIV/0!
Malaysia	0			0			0	0	-100.0%
Netherlands	0		0	9			3	0	-100.0%
New Zealand				3	49	7	26	7	#DIV/0!
Nicaragua	1,116	1,444	2,216	2,277	2,460	2,963	1,902	1,846	165.4%
Norway			0				0		#DIV/0!
Panama	3,305	2,924	3,243	3,403	3,302	2,802	3,235	-503	-15.2%
Peru	675	623	458	643	1,015	987	683	311	46.1%
Philippines	229				225		227	-229	-100.0%
Poland						0	#DIV/0!	0	#DIV/0!
Puerto Rico	652	749	1,152	1,564	3,296	2,442	1,483	1,790	274.4%
Russian Federation				0			0		#DIV/0!
Saudi Arabia		1					1		#DIV/0!
Singapore				2	3	4	2	4	#DIV/0!
South Africa		0		7	4	14	4	14	#DIV/0!
Spain	0	7	3	4	0	8	3	8	5438.4%
Sri Lanka						0	#DIV/0!	0	#DIV/0!
St Lucia			22				22		#DIV/0!
Sweden						0	#DIV/0!	0	#DIV/0!
Switzerland	0	0	3	1	7	0	2	0	-94.7%

Appendix C: World Dairy Exports to Central America from 2000 to 2005 – by tonnes and by major dairy product group

	2000	2001	2002	2003	2004	2005
Costa Rica	5,702	6,782	9,101	9,744	10,961	11,768
El Salvador	33,806	35,992	29,945	25,675	29,020	25,898
Guatemala	19,307	24,470	31,462	30,792	37,801	41,571
Honduras	10,707	11,979	13,332	10,525	12,254	14,114
Nicaragua	6,623	6,895	6,643	7,750	11,028	7,199
Panama	17,837	16,126	18,861	19,693	14,928	16,696
Puerto Rico	1,318	1,091	1,648	1,868	3,585	2,744
Total	**95,300**	**103,334**	**110,992**	**106,047**	**119,577**	**119,990**

	2000	2001	2002	2003	2004	2005
Butter	2,280	1,989	1,536	2,075	1,874	2,653
Butter Blend	0		1	36	21	52
Butter Oil	2,449	2,067	2,124	1,785	1,649	1,825
Buttermilk	300	532	242	186	182	77
Buttermilk Powder	78	96	69	12	27	54
Casein	598	372	670	448	517	150
Cheese	10,812	11,243	11,448	12,404	11,812	12,333
Condensed Milk	2,259	1,955	2,790	6,260	6,703	6,677
Ice Cream	848	1,304	1,255	844	1,002	821
Infant Powder	9,754	10,860	14,423	14,890	18,373	22,325
Lactose	550	454	458	269	271	440
Milk	1,314	1,536	2,410	2,332	2,564	2,665
Milk Products	1,154	137	278	144	161	625
Milk Protein Conc					28	72
Mixtures	8,860	11,395	16,652	14,483	19,716	15,639
Non Dairy			1			0
Protein	10	31	96	33	105	56
SMP	11,626	8,454	8,368	6,021	15,968	10,632
Whey	17				0	25
Whey Powder	5,187	6,259	5,979	6,775	6,551	7,141
WMP	36,962	44,403	41,911	36,361	31,558	34,903
Yogurt	244	249	280	690	494	824
Grand Total	**95,300**	**103,334**	**110,992**	**106,047**	**119,577**	**119,990**

Appendix D: World Dairy Exports to the Caribbean from 2000 to 2005 – by tonnes and by major dairy product group

	2000	2001	2002	2003	2004	2005
Anguilla	43	47	158	54	144	65
Antigua and Barbuda	6,881	2,247	6,118	2,655	2,361	2,288
Antilles, Dutch	16,210	15,052	15,951	12,540	12,194	11,414
Aruba	7,342	8,482	6,961	6,288	4,976	5,154
Bahamas	9,005	9,155	9,975	9,543	11,833	9,929
Barbados	5,671	4,468	4,958	5,756	5,457	5,866
Bermuda	2,045	1,803	1,895	1,849	2,237	1,915
Cayman Islands	563	2,093	2,606	2,540	2,698	3,033
Cuba	52,053	47,475	54,254	64,559	69,487	81,083
Dominica	2,073	1,630	2,128	1,526	1,695	1,213
Dominican Republic	53,819	46,228	55,037	38,622	35,466	45,146
Grenada	2,381	2,375	2,798	2,662	2,789	2,159
Guadeloupe	15	483	59	3	75	2
Haiti	19,097	25,382	23,891	19,948	26,514	20,108
Jamaica	19,645	25,960	23,877	20,136	24,985	20,643
Martinique	157	153	3	4		113
Montserrat	155	137	123	74	94	51
Saint Kitts And Nevis	1,349	1,154	1,210	1,158	1,117	701
St Lucia	4,302	4,450	3,580	4,028	4,421	2,736
St Vincent & Grenadines	4,073	1,351	1,596	6,378	2,003	1,803
Trinidad and Tobago	24,128	27,264	27,024	25,253	30,656	28,521
Turks And Caicos Islands	130	288	167	307	311	392
Virgin Islands, British	613	592	944	1,030	901	944
Virgin Islands, USA	1,179	501	332	333	270	199
Grand Total	**232,927**	**228,772**	**245,646**	**227,246**	**242,682**	**245,477**

	2000	2001	2002	2003	2004	2005
Butter	5,438	5,536	6,023	5,515	6,581	6,162
Butter Blend	14	7	19	581	93	337
Butter Oil	5,553	4,429	4,370	2,965	2,063	2,135
Buttermilk	915	736	810	993	1,481	1,077
Buttermilk Powder	1,161	401	197	1,106	895	1,163
Casein	630	1,552	1,446	487	191	110
Cheese	34,484	30,173	31,403	30,537	29,753	28,724
Condensed Milk	33,334	43,289	43,465	40,382	42,956	35,370
Cream			3	14	0	0
Ice Cream	3,351	3,521	3,232	3,724	3,924	3,983
Infant Powder	5,247	5,730	6,791	3,606	2,763	3,332
Lactose	549	590	485	205	372	1,312
Milk	7,994	5,691	6,208	8,351	9,242	9,801
Milk Products	1,715	469	137	111	72	429
Mixtures	16,303	22,142	30,934	24,626	27,540	26,655
Non Dairy	1					
Protein	101	340	265	100	64	89
SMP	40,513	32,078	33,576	38,612	34,754	30,281
Whey		8				180
Whey Powder	1,256	2,045	2,378	2,038	3,246	4,227
WMP	73,944	69,458	73,363	62,677	75,540	88,334
Yogurt	424	575	541	616	1,151	1,779
Grand Total	**232,927**	**228,772**	**245,646**	**227,246**	**242,682**	**245,477**

Appendix E: Australia's Dairy Trade with Mexico from 2000 to 2005 – by value and major dairy product group

	2000	2001	2002	2003	2004	2005
Butter Oil	$9,305,029	$15,898,458	$12,149,286	$8,038,189	$13,141,270	$22,445,441
Buttermilk Powder	$1,459,076	$7,436,679	$684,838	$686,009		$2,413
Casein	$8,908,990	$4,235,121	$10,946,761	$10,653,008	$8,301,443	$13,562,054
Cheese	$9,363,985	$17,096,865	$10,080,610	$9,564,363	$6,512,511	$1,213,652
Condensed Milk	$31,002					
Milk			$83,455	$693,608	$249,608	
Milk Products	$1,685,534		$485,432			
Milk Protein Conc					$467,360	$7,257,223
Mixtures			$104,644	$63,755	$19,007	
SMP	$25,775,757	$7,027,011	$30,964,030	$9,622,119	$4,382,614	$2,955,607
Whey Powder	$37,589		$594,449		$1,121,473	$2,087,073
WMP		$54,640	$125,877	$298,564	$67,450	
Grand Total	**$56,566,962**	**$51,748,774**	**$66,219,382**	**$39,619,615**	**$34,262,736**	**$49,523,463**

	2000	2001	2002	2003	2004	2005
Butter Oil	3,444	5,107	5,306	3,532	4,690	6,774
Buttermilk Powder	521	1,836	295	277		1
Casein	1,500	461	1,708	1,827	1,148	1,354
Cheese	3,159	4,327	2,966	3,369	2,015	340
Condensed Milk	18					
Milk			50	475	175	
Milk Products	450		221			
Milk Protein Conc					100	1,925
Mixtures			47	11	4	
SMP	7,378	1,717	12,895	4,027	1,753	962
Whey Powder	17		306		438	778
WMP		16	25	108	25	
Grand Total	**16,487**	**13,464**	**23,819**	**13,626**	**10,348**	**12,134**

Appendix F: Australia's Dairy Trade with Central America from 2000 to 2005 - tonnes and by major dairy product group

Country	2000	2001	2002	2003	2004	2005
Costa Rica			17	17	268	229
El Salvador	566	1,996	1,776	1,426	1,840	2,679
Guatemala	1,729	1,616	2,934	3,114	2,632	4,008
Honduras	484	300	1,533	328	90	340
Nicaragua	50	634	420			
Panama	3,621	258	17	17	39	
Puerto Rico	2	7	64			
Total	**6,452**	**4,811**	**6,761**	**4,901**	**4,869**	**7,257**

	2000	2001	2002	2003	2004	2005
Butter	550	362	678	218	90	499
Butter Oil	4,559	5,661	5,525	3,683	4,942	7,077
Buttermilk Powder	528	1,836	295	288	27	55
Casein	1,518	469	1,716	1,827	1,150	1,357
Cheese	6,775	4,912	3,735	3,941	3,322	1,436
Condensed Milk	18					22
Infant Powder						47
Milk	84		50	493	404	478
Milk Products	450		221			
Milk Protein Conc					128	1,997
Mixtures			47	11	4	
SMP	7,676	2,203	13,604	4,705	1,955	1,327
Whey Powder	17	80	607	231	828	1,281
WMP	764	2,752	4,102	3,131	2,364	3,815
Total	**22,939**	**18,274**	**30,580**	**18,527**	**15,217**	**19,391**

Appendix G: Australia's Dairy Trade with the Caribbean from 2000 to 2005 – tonnes and by major dairy product group

	2000	2001	2002	2003	2004	2005
Bahamas	60	60	62	20		
Barbados	275	93	82	39	55	108
Cuba	479	5,336	4,771	592		1,002
Dominican Republic	1,689	1,749	2,418	1,039	14	14
Grenada			20	40		
Jamaica	625	2,064	1,591	1,191	1,807	581
Netherlands Antilles	117		150	480	2	400
St. Lucia					0	
St. Vincent & Grenadines		16	61		0	16
Trinidad and Tobago	3,450	3,340	2,679	1,711	2,458	678
Grand Total	**6,696**	**12,657**	**11,834**	**5,112**	**4,337**	**2,799**

	2000	2001	2002	2003	2004	2005
Butter	180	852	92			
Butter Oil	1,234	1,629	2,089	966		168
Buttermilk Powder	36					
Casein			75	231		
Cheese	3,939	2,983	2,907	2,264	1,450	604
Condensed Milk		9				
Mixtures					4	1
SMP	636	2,492	2,729	1,464	2,883	608
Whey Powder						16
WMP	670	4,692	3,942	188		1,401
Total	**6,696**	**12,657**	**11,834**	**5,112**	**4,337**	**2,799**

Appendix H: World Bank socio-economic data for Central America and Mexico from 2000 to 2005

Mexico: Macro-economic indicators, 1998 – 2005

Indicator	1998	1999	2000	2001	2002	2003	2004	2005
Population, mn	94.9	96.6	97.5	98.8	100.8	102.3	104.0	106.2
GDP, US$ bn	421.1	479.9	579.8	618.0	632.1	307.6	624.8	737.6
GDP, annual variation, per cent	4.9	3.7	6.6	-0.3	0.9	2.2	3.5	3.8
GDP per capita, US$	4,437	4,990	5,948	6,255	6,585	6,248	6,757	6,938
Unemployment, per cent	_._	2.0	1.9	2.5	2.1	2.7	2.4	2.5
Consumer prices, annual variation, per cent	18.6	12.3	9.0	4.4	5.7	4.3	4.0	3.0
Interest rates, CETES 28 days	31.2	16.3	17.6	6.8	7.4	6.3	6.2	6.5
Exchange rate vs US$	9.9	9.5	9.5	9.3	9.7	10.8	11.3	10.4
External debt, per cent of GDP	36.1	33.7	25.7	25.4	24.8	23.7	23.5	22.0

Central America:

Per capita incomes: US$

	2000	2001	2002	2003	2004	2005	Index in 2005: Mexico = 100
Mexico	5,948	6,255	6,585	6,248	6,757	6,938	100
Belize	3,331	3,485	3,494	3,583	3,665	3,787	54.6
Costa Rica	4,059	4,086	4,110	4,187	4,349	4,491	64.7
Dominican Republic	2,392	2,576	2,540	1,889	2,104	3,182	45.9
El Salvador	2,091	2,157	2,193	2,265	2,340	2,467	35.6
Guatemala	1,728	1,835	1,987	2,074	2,229	2,515	36.2
Honduras	928	972	966	996	1,046	1,107	16.0
Nicaragua	794	811	780	779	836	895	12.9
Panama	3,939	3,927	4,007	4,146	4,473	4,786	69.0
Australia (2005)						31,900	459.8

Source: World Bank

Appendix I: Mexican, Guatemala (Central America) and Dominican Republic (Caribbean) Dairy Import Regulations on a Most Favoured Nation (MFN) Basis -

Mexico:

Capital City: Mexico City Population: 105 million (2004) Language: Spanish Currency: New Pesos Time: AEST less 16-18 hours
Documentation
* Bill of Lading - Normal commercial practice. To Order bills are acceptable. * Commercial Invoice - No prescribed form. Five copies are required and must be in Spanish. * Certificate of Origin - Only original certificates will be accepted by customs. The documents must be in Spanish or translated into Spanish on the back. * Pro forma Invoice - May be required in order to obtain import authorisation * Packing list - The exporter must issue six copies of this document.
Duties and Tariffs
* A Value Added Tax (VAT) of 15 per cent on the duty paid value with the following exemptions: 0401, 0405 * Customs Processing Fee: 0.8 per cent of c.i.f value
Labelling and Packaging Requirements
* Labels must include the following information following in Spanish: - Product name or description - Net content and weight - Local manufacturers name and address - Importers name and address. - Country of origin - Expiration date (if applicable) - Nutritional Information * Labels on products registered at the Mexican Department of Health and Sanitation must indicate that license number issued by the Department.
Milk Powder TRQ
* On December 29, 2005, Mexico's Secretariat of Economy (SE) announced it will allow 80,000 tonnes of milk powder to be imported from countries with Most Favoured Nation (MFN) status, under Mexico's World Trade Organization (WTO) commitment for 2006. This TRQ is in effect until December 31, 2006. All countries with MFN status may supply milk powder under this TRQ at a tariff of zero. Under a separate announcement the public sector will be allowed to import, duty-free, an additional amount of 40,000 tonnes of milk powder from the USA in 2006 under the NAFTA commitment.
Food Standards and Laws
* Normas Oficiales Mexicanas (NOM), known as Official Mexican Standards, are obligatory for both domestic and imported products.

0401	**Milk and cream, not concentrated nor containing added sugar or other sweetening matter:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
	- Of a fat content, by weight, not exceeding 1%:		
0401.10.01	- - In airtight containers	10	
0401.10.99	- - Other	10	
	- Of a fat content, by weight, exceeding 1% but not exceeding 6%:		
0401.20.01	- - In airtight containers	10	
0402.20.99	- - Other	10	
	- Of a fat content, by weight, exceeding 6%:		
0401.30.01	- - In airtight containers	10	
0401.30.99	- - Other	10	
0402	**Milk and cream, concentrated or containing added sugar or other sweetening matter:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
	- In powder, granules or other solid forms, of a fat content, by weight, not exceeding 1.5%:		
0402.10.01	- - Milk, in powder or in tablets	125.1	1
0402.10.99	- - Other	10	2
	- In powder, granules or other solid forms, of a fat content, by weight, exceeding 1.5%:		
	- - Not containing added sugar or other sweetening matter:		
0402.21.01	- - - Milk in powder or tablet form	125.1	1
0402.21.99	- - - Other	10	
0402.29.99	- - Other	20	2
	- Other:		
	- - Not containing added sugar or other sweetening matter:		
0402.91.01	- - - Evaporated milk	45	
0402.91.99	- - - Other	20	
	- - Other:		
0402.99.01	- - - Condensed milk	15	2
0402.99.99	- - - Other	20	2
0403	**Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
0403.10.01	- Yogurt	20	
0403.90.99	- Other	20	
0404	**Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
	- Whey, whether or not modified or concentrated or containing added sugar or other sweetening matter:		
0404.10.01	- - Whey in powder form with a protein content of not more than 12.5%	10	
0404.10.99	- - Other	10	2
0404.90.99	- Other	20	

0405	**Butter and other fats and oils derived from milk; dairy spreads:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
	- Butter:		
0405.10.01	- - Butter weighing (including immediate container) not more than 1kg	20	
0405.10.99	- - Other	20	
0405.20.01	- Dairy Spreads	20	2
	- Other:		
0405.90.01	- - Dehydrated butyric fat	Free	
0405.90.99	- - Other	20	
0406	**Cheese and curd:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
0406.10.01	- Fresh cheese (including whey cheese), not fermented, and curd	125	3
0406.20.01	- Grated or powdered cheese, of all kinds	20	
	- Processed cheese, not grated or powdered		
0406.30.01	- - Processed cheese, not grated or powdered, with a fat content by weight of fatty materials of not more than 36% and an average fat content on the dry extract of more than 48%, put up in packings of a net content of more than 1kg	125	3
0406.30.99	- - Other	125	3
0406.40.01	- Blue-veined cheese	20	
	- Other cheese:		
0406.90.01	- - Hard cheese know as Sardo, put up for sale as such	20	
0406.90.02	- - Hard cheese known as Reggiano or Reggianito, put up for sale as such	20	
0406.90.03	- - Soft cheese of the Colonia type, with a degree of humidity of 35.5% to 37.7%, an ash content of 3.2% to 3.3%, a fat content of 29% to 30.8%, protein content of 25% to 27.5%, a chloride content of 1.3% to 2.7% and an acidity expressed in lactic acid of 0.8% to 0.9%	125	3
0406.90.04	- - Hard or medium-hard cheese, with a fat content of not more than 40% and a water content calculated on the non-fatty matter of not more than 47% known as Grana or Parmigiano-reggiano; or of a non-fatty content more than 47% but not more than 72% known as Danbo, Edam, Fontal, Fontina, Fynbo, Gouda, Havarti, Maribo, Samsoe, Esrom, Italico, Kernhem, Saint-Nectaire, Saint-Paulin or Taleggio	20	
0406.90.05	- - Cheese of Petit Suisse type, with a degree of humidity of 68% to 70%, fat content of 6 to 8% (calculated on the wet matter), dry extract from 30 to 32%, minimum protein content of 6%, containing ferments, with or without the addition of fruits, sugars, vegetables, chocolate, or honey	125	3
0406.90.06	- - Cheese of the Egmont type with a minimum fat content (calculated on the dry matter) of 45%, minimum dry material of 60%, minimum salt content (calculated on the wet matter) of 3.9%	45	
0406.90.99	- - Other	125	3
1702	**Other sugars, including chemically pure lactose, maltose, glucose and fructose, in solid form; sugar syrups not containing added flavouring or colouring matter; artificial honey, whether or not mixed with natural honey; caramel:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
	- Lactose and lactose syrup:		
1702.11.01	- - Containing by weight 99% or more lactose, expressed as anhydrous lactose, calculated on the dry matter	10	
	- - Other:		
1702.19.01	- - - Lactose	10	
1702.19.99	- - - Other	15	

1806	Chocolate and other food preparations containing cocoa:		
Tariff Number	**Product Description**	**Applied Tariff**	**Note(s)**
	- Cocoa powder, containing added sugar or other sweetening matter:		
1806.10.01	- - With a sugar content exceeding 90% by weight	US$ 396/tonne	
1806.10.99	- - Other	20%	4
1806.20.99	- Other preparations in blocks or slabs weighing more than 2kg or in liquid, paste, powder, granular or other bulk form in containers or immediate packings, of a content exceeding 2kg	20%	4
	- Other, in blocks, slabs or bars:		
1806.31.01	- - Filled	20%	4
1806.32.01	- - Not filled	20%	4
	- Other:		
1806.90.01	- - Food preparations with a base of flour, meal, starch, fecula, or malt extract, with a cocoa powder content exceeding 40% by weight, and calculated on a defatted basis	20%	4
1806.90.02	- - Food preparations of the products of heading Nos. 0401 to 0404 with a cocoa powder portion exceeding 5% by weight, and calculated on a defatted basis	20%	4
1806.90.99	- Other	20%	4
1901	**Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing less than 40% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 0401 to 0404, not containing cocoa or containing less than 5% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
	- Preparations for infant use, put up for retail sale:		
1901.10.01	- - With a content of milk solids exceeding 10% by weight	10	
1901.10.99	- - Other	10	
	- Mixes and doughs for the preparation of bakers' wares of heading 1905:		
1901.20.01	- - With a basis of flour, starch, fecula, oats, maize or wheat	10	4
1901.20.02	- - With a butyric fat content exceeding 25% by weight, not put up for retail sale	10	
1901.20.99	- - Other	10	4
	- Other:		
1901.90.01	- - Malt extracts	10	4
1901.90.02	- - Dietetic foods for diabetics, of vegetable origin	10	
1901.90.03	- - Preparations with a basis of milk products containing milk solids in a proportion exceeding 10% by weight, but not exceeding 50%, other than those of subdivision 1901.90.04	10	
1901.90.04	- - Preparations with a basis of milk products containing milk solids in a proportion exceeding 10% by weight, in containers for retail sale labelled to indicate that the products are for use in preparing foods, desserts or similar culinary preparations	10	
1901.90.05	- - Preparations with a basis of milk products with a content of milk solids exceeding 50% by weight, other than those of subdivision 1901.90.04	109	3
1901.90.99	- - Other	10	4

2105	Ice cream and other edible ice, whether or not containing cocoa		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
2105.00.00	- Ice cream and other edible ice, whether or not containing cocoa	20	4
2106	**Food preparations not elsewhere classified or included**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
	- Prtotein concentrates and textured protein substances		
2106.10.02	- - Milk protein concentrates containing: 44% hydrogenated cocoa butter, 38% glucose anhydride, 10% sodium caseinate, 6% emulsifier, 2% stabilizer	15	
3501	**Casein, caseinates and other casein derivatives; casein glues:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
3501.10.00	- Casein	9	
	- Other		
3051.90.01	- - Casein glues	15	
3501.90.02	- - Caseinates	15	
3501.90.03	- - Carboxymethel casein, photographic grade, in solution	15	
3501.90.99	- - Other	15	
3502	**Albumins (including concentrates of two or more whey proteins, containing by weight more than 80% whey proteins, calculated on the dry matter), albuminates and other albumin derivatives:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
3502.20.01	- Milk albumin, including concentrates of two or more whey proteins	15	
3502.90.99	- Other	15	

End Note(s):
1. Subject to a tariff rate quota (TRQ) of 80,000 tonnes. In-quota tariff 20%
2. Plus US$ 0.36/kg
3. Out-of-quota tariff rate
4. Plus US$ 0.39586/kg

<u>Guatemala</u>: Guatemala is Australia’s largest export destination in Central America

Capital City: Guatemala	Population: 12.0 million (2002)
Language: Spanish	Currency: Quetzales
Time: AEST less 16 hours	

Documentation

* Commercial Invoice - One original and one copy in Spanish are required
* Certificate of Origin - One original and one copy is required for all foods of animal origin
* Bill of lading - One original and one copy in Spanish are required
* Packing list - A packing list is required
* Pro forma invoice - May be required for goods requiring import license

Duties and Taxes

* A Value Added Tax (VAT): 12% on the duty paid value

Labelling and Packaging Requirements

* All products sold in Guatemala must be registered with the Food Control Office (Oficina de Control de Alimentos) of the Ministry of Public Health and Social Assistance. Registration is valid for five years and is based on a certificate of purity and free sale of each product issued by the sanitary authority in the country of origin.
* Foodstuff labels must be printed in Spanish or a Spanish-language stick on label provided. The stick on label must contain the following information:
- Product name and description
- Name and address of manufacturer
- Net weight/volume
- A list of ingredients and additives
- Name and address of importer
- The registry number and expiration date
- If applicable, storage and preparation instructions.

Food Standards and Laws

* Guatemala is a member country of Codex Alimentarius. Therefore, Codex food standards are generally accepted.

0401	**Milk and cream, not concentrated nor containing added sugar or other sweetening matter:**		
Tariff Number	**Product Description**	**Applied Tariff per cent**	**Note(s)**
0401.10.00	- Of a fat content, by weight, not exceeding 1per cent	15	
0401.20.00	- Of a fat content, by weight, exceeding 1per cent but not exceeding 6per cent	15	
0401.30.00	- Of a fat content, by weight, exceeding 6per cent	15	
0402	**Milk and cream, concentrated or containing added sugar or other sweetening matter:**		
Tariff Number	**Product Description**	**Applied Tariff per cent**	**Note(s)**
0402.10.00	- In powder, granules or other solid forms of a fat content, by weight, not exceeding 1.5per cent :	15	
	- In powder, granules or other solid forms of a fat content, by weight, exceeding 1.5per cent :		
	- - Not containing added sugar or other sweetening matter:		
	- - - Semi defatted milk, of a fat content, by weight, in dry matter of 26per cent or less:		
0402.21.11	- - - - In packaging of a net weight not exceeding 3 kg	15	
0402.21.12	- - - - In packaging of a net weight exceeding 3 kg	15	
	- - - Whole milk, of a fat content, by weight, of 26per cent or		

	more:		
0402.21.21	- - - - In containers holding no more than 5 kg	15	
0402.21.22	- - - - In containers holding more than 5 kg	15	
0402.29.00	- - Other	15	
	- Other:		
	- - Not containing added sugar or other sweetening matter:		
0402.91.10	- - - Evaporated milk	10	
0402.91.20	- - - Milk cream	15	
0402.91.90	- - - Other	15	
	- - Other:		
0402.99.10	- - - Condensed Milk	10	
0402.99.90	- - - Other	15	
0403	**Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit or cocoa:**		
Tariff Number	**Product Description**	**Applied Tariff per cent**	**Note(s)**
0403.10.00	- Yogurt	15	
	- Other:		
0403.90.10	- - Buttermilk	15	
0403.90.90	- - Other	15	
0404	**Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included:**		
Tariff Number	**Product Description**	**Applied Tariff per cent**	**Note(s)**
0404.10.00	- Whey and modified whey, whether or not concentrated or containing added sugar or other sweetening matter	Free	
0404.90.00	- Other	10	
0405	**Butter and other fats and oils derived from milk:**		
Tariff Number	**Product Description**	**Applied Tariff per cent**	**Note(s)**
0405.10.00	- Butter	15	
0405.20.00	- Dairy Spreads	15	
	- Other fats:		
0405.90.10	- - Butyric fat (butteroil)	5	
0405.90.90	- - Other	15	
0406	**Cheese and curd:**		
Tariff Number	**Product Description**	**Applied Tariff per cent**	**Note(s)**
0406.10.00	- Fresh (unripened or uncured) cheese, including whey cheese, and curd	15	
	- Grated or powdered cheese, of all kinds:		

0406.20.10	- - "Cheddar" cheese, dehydrated	Free	
0406.20.90	- - Other	15	
0406.30.00	- Processed cheese, not grated or powdered	15	
0406.40.00	- Blue-veined cheese	15	
	- Other cheese:		
0406.90.10	- - Mozzarella	15	
0406.90.20	- - Cheddar, in blocks or bars	15	
0406.90.90	- - Other	15	
1702	**Other sugars, including chemically pure lactose, maltose, glucose and fructose, in solid form; sugar syrups not containing added flavouring or colouring matter; artificial honey, whether or not mixed with natural honey; caramel:**		
Tariff Number	**Product Description**	**Applied Tariff per cent**	**Note(s)**
	- Lactose and lactose syrup:		
1702.11.00	- - Containing by weight 99per cent or more lactose, expressed as anhydrous lactose, calculated on the dry matter:	Free	
1702.19.00	- - Other	Free	
1806	**Chocolate and other food preparations containing cocoa:**		
Tariff Number	**- Product Description**	**Applied Tariff per cent**	**Note(s)**
1806.10.00	- Cocoa powder, containing added sugar or other sweetening matter	15	
	- Other preparations in blocks, slabs or bars weighing more than 2kg or in liquid, paste, powder, granular or other bulk form in containers or immediate packings, of a content exceeding 2kg:		
1806.20.10	- - Liquid preparations with a corn syrup base and partially hydrogenated palm almond oil base, of a kind used for decorating and filling pastries	Free	
1806.20.90	- - Other	15	
	- Other, in blocks, slabs or bars:		
1806.31.00	- - Filled	15	
1806.32.00	- - Not filled	15	
1806.90.00	- Other	15	
1901	**Malt extract; food preparations of flour, meal, starch or malt extract, not containing cocoa or containing less than 40per cent by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings Nos. 0401 to 0404, not containing cocoa or containing less than 5per cent by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:**		
Tariff Number	**Product Description**	**Applied Tariff per cent**	**Note(s)**
	- Preparations for infant use, put up for retail sale:		

Tariff Number	Product Description	Applied Tariff per cent	Note(s)
1901.10.10	- - Preparations made from the goods of heading Nos. 0401 to 0404 in which some of the ingredients have been totally or partially substituted by other substances	Free	
1901.10.90	- - Other	10	
1901.20.00	- Mixes and doughs for the preparation of bakers' wares of heading No. 1905	15	
	- Other:		
1901.90.10	- - Extracts of malt	Free	
1901.90.20	- - Modified milk, in powder, different from that of subheading No. 1901.10.10	Free	
1901.90.40	- - Foodstuffs of the type described in Note 1(a) of Chapter 30, other than those of subdivision 2202.90.10	10	
1901.90.90	- - Other	15	
2105	**Ice cream and other edible ice, whether or not containing cocoa**		
Tariff Number	**Product Description**	**Applied Tariff per cent**	**Note(s)**
2105.00.00	- Ice cream and other edible ice, whether or not containing cocoa	15	
3501	**Casein, caseinates and other casein derivatives; casein glues:**		
Tariff Number	**Product Description**	**Applied Tariff per cent**	**Note(s)**
3501.10.00	- Casein	Free	
3501.90.00	- Other	5	
3502	**Albumins (including concentrates of two or more whey proteins, containing by weight more than 80per cent whey proteins, calculated on the dry matter), albuminates and other albumin derivatives:**		
Tariff Number	**Product Description**	**Applied Tariff per cent**	**Note(s)**
3502.20.00	- Milk albumin, including concentrates of two or more whey proteins	Free	
3502.90.00	- Other	Free	

<u>Dominican Republic</u>: The second largest dairy import market in the Caribbean after Cuba

Capital City: Santo Domingo Population: 8.7 million (2001)
Language: Spanish Currency: Pesos
Time: AEST less 14 hours

Documentation

* Commercial Invoice - At least two copies required
* Certificate of origin - Usually not required
* Bill of Lading - There are no regulations specifying form or number required
* All dairy imports must have a the Sanitary Registration number issued by the Dominican Republic Public Health Secretariat (SESPAS) and obtain an import license from the Secretary of Industry.

Duties and Taxes

* Exchange Surcharge: 10% of c.i.f. value
* Sales Tax (ITBIS): 12% of duty paid value, with the following exemptions:

0401
0402.10.90/.11.10/.21.10/.21.90/.91.10
0405.10
0406.10/.20
1806.10/.32
1901.10.10/.90

* Note: Products that are exempt from the ITBIS must be labelled "Exento de ITBIS" (Exempt from ITBIS).
* Temporary Import Surcharge: (Effective July 1, 2003); 2% of c.i.f. value

Labelling and Packaging Requirements

* Food product labels should indicate the:
- Country of origin
- Name of the product
- The list of ingredients, including food additives in descending order by weight
- The name, address and telephone number of the manufacturer or distributor
- Net weight and volume in metric units
- Instructions for storage and use when applicable.

* The labels and containers of perishable food products such as butter, milk and related products are required to show clearly in Spanish the manufacturer's name and address, sanitation registry number, number of lot, date of manufacture and date by which the product is to be consumed.

Milk Powder Quota

* A 32,000 tonne milk powder quota is applied to SMP and WMP with an in quota tariff rate of 20%. A higher tariff is applied to out of quota milk powders. The out-of-quota tariff rate will decrease annually until 2005, when the quota will be renegotiated. The schedule is as follows:

Year	Out of quota Tariff
2004	60.6%
2005	56.0%

Food Standards and Laws

* Food standards in the Dominican Republic are the same as Codex Alimentarius standards.
More information can be found at www.codexalimentarius.net

0401	Milk and cream, not concentrated nor containing added sugar or other sweetening matter:		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
0401.10.00	- Of a fat content, by weight, not exceeding 1%	20	
0401.20.00	- Of a fat content, by weight, exceeding 1% but not exceeding 6%	20	
0401.30.00	- Of a fat content, by weight, exceeding 6%	20	
0402	**Milk and cream, concentrated or containing added sugar or other sweetening matter:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
	- In powder, granules or other solid forms, of a fat content, by weight, not exceeding 1.5%:		
0402.10.10	- - Put up for retail sale in containers of a net content not exceeding 2.5kg	60.6	1
0402.10.90	- - Other	60.6	1
	- In powder, granules or other solid forms, of a fat content, by weight, exceeding 1.5%:		
	- - Not containing added sugar or other sweetening matter:		
0402.21.10	- - - Put up for retail sale in containers of a net content not exceeding 2.5kg	60.6	1
0402.21.90	- - - Other	60.6	1
	- - Other:		
0402.29.10	- - - Put up for retail sale in containers of a net content not exceeding 2.5kg	60.6	1
0402.29.90	- - - Other	60.6	1
	- Other:		
0402.91.00	- - Not containing added sugar or other sweetening matter	60.6	1
0402.99.00	-- Other	60.6	1
0403	**Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
0403.10.00	- Yogurt	20	
0403.90.00	- Other	20	
0404	**Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
0404.10.00	- Whey and modified whey, whether or not concentrated or containing added sugar or other sweetening matter	3	
0404.90.00	- Other	14	
0405	**Butter and other fats and oils derived from milk; dairy spreads:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
0405.10.00	- Butter	20	
0405.20.00	- Dairy spreads	20	
	- Other:		
0405.90.10	- - Dehydrated butter and ghee	20	
0405.90.90	- - Other	14	
0406	**Cheese and curd:**		
Tariff Number	**Product Description**	**Applied Tariff %**	**Note(s)**
0406.10.00	- Fresh (unripened or uncured) cheese, including whey cheese	20	
0406.20.00	- Grated or powdered cheese, of all kinds	20	
0406.30.00	- Processed cheese, not grated or powdered	20	
0406.40.00	- Blue-veined cheese	20	
	- Other cheese:		
0406.90.10	- - Soft	20	

Appendix J: Economic Growth Forecasts for Mexico and Central America

Mexico

per cent change	2007	2008	2009	2010	2011	2012
GDP growth	3.2	4.6	5.7	5.2	6.2	6.8
Inflation	3.4	3.5	3.4	3.4	3.4	3.3
CETES (central bank lending rate)	7.1	7.2	7.2	7.3	7.4	7.2
Exchange rate versus US$	11.1	11.2	11.3	11.4	11.3	11.3

Source: Mexican Institute of Finance Executives (IMEF) via Rabobank

Central America:

Table 11 ***(concluded)***

	Average 1988–97	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Western Hemisphere	**162.8**	**9.0**	**8.3**	**7.6**	**6.1**	**8.8**	**10.5**	**6.5**	**6.3**	**5.6**	**5.2**
Antigua and Barbuda	4.0	3.8	0.6	–0.6	–0.4	2.4	2.0	2.0	2.1	3.5	2.0
Argentina	159.4	0.9	–1.2	–0.9	–1.1	25.9	13.4	4.4	9.6	12.3	11.4
Bahamas, The	3.5	1.3	1.3	1.6	2.0	2.2	3.0	0.9	2.2	1.7	2.7
Barbados	4.0	–1.3	1.6	2.4	2.8	0.2	1.6	1.4	6.0	6.3	4.9
Belize	2.8	–0.8	–1.3	0.7	1.2	2.2	2.6	3.1	3.7	4.3	3.6
Bolivia	12.5	7.7	2.2	4.6	1.6	0.9	3.3	4.4	5.4	4.1	4.0
Brazil	576.3	3.2	4.9	7.1	6.8	8.4	14.8	6.6	6.9	4.5	4.1
Chile	13.9	5.1	3.3	3.8	3.6	2.5	2.8	1.1	3.1	3.5	3.1
Colombia	24.5	18.7	10.9	9.2	8.0	6.3	7.1	5.9	5.0	4.7	4.2
Costa Rica	18.3	11.7	10.0	11.0	11.3	9.2	9.4	11.7	13.6	13.0	10.9
Dominica	3.1	1.0	1.2	0.9	1.6	0.1	1.6	2.4	1.6	1.5	1.5
Dominican Republic	21.2	4.8	6.5	7.7	8.9	5.2	27.4	51.5	4.2	8.5	5.0
Ecuador	42.7	36.1	52.2	96.1	37.7	12.6	7.9	2.7	2.1	3.2	3.0
El Salvador	13.9	2.6	0.5	2.3	3.8	1.9	2.1	4.5	3.7	4.1	3.5
Grenada	3.0	1.4	0.6	2.1	1.7	1.1	2.2	2.3	3.5	4.3	2.0
Guatemala	15.9	6.6	5.2	6.0	7.3	8.1	5.6	7.6	9.1	6.9	6.6
Guyana	33.2	4.7	7.4	6.1	2.7	5.4	6.0	4.7	6.9	7.5	4.4
Haiti	20.1	10.6	8.7	13.7	14.2	9.9	39.3	21.2	15.8	14.1	9.0
Honduras	18.3	13.7	11.6	11.0	9.7	7.7	7.7	8.1	8.1	5.8	4.4
Jamaica	27.8	8.6	6.0	8.1	7.0	7.1	10.5	13.4	15.3	9.6	9.0
Mexico	28.0	15.9	16.6	9.5	6.4	5.0	4.5	4.7	4.0	3.5	3.3
Netherlands Antilles	2.6	1.4	0.8	4.4	1.6	0.4	1.9	1.6	3.2	2.8	2.5
Nicaragua	269.4	18.5	7.2	9.9	4.7	4.0	6.6	9.3	9.6	8.6	6.8
Panama	1.0	0.6	1.3	1.4	0.3	1.0	0.6	0.5	2.9	2.8	2.3
Paraguay	19.3	11.6	6.8	9.0	7.3	10.5	14.2	4.3	6.8	8.9	4.9
Peru	267.1	7.3	3.5	3.8	2.0	0.2	2.3	3.7	1.6	2.4	2.5
St. Kitts and Nevis	3.3	3.7	3.4	2.1	2.1	2.1	2.3	2.1	3.6	2.0	2.0
St. Lucia	3.1	2.8	3.5	3.7	5.4	–0.3	1.0	1.5	3.9	5.5	4.0
St. Vincent and the Grenadines	3.1	2.1	1.0	0.2	0.8	0.8	0.2	3.0	3.7	1.8	1.7
Suriname	58.0	19.1	98.7	58.6	39.8	15.5	23.0	9.1	9.9	14.8	7.0
Trinidad and Tobago	6.9	5.3	3.4	3.6	5.5	4.2	3.8	3.7	6.9	7.7	7.6
Uruguay	59.0	10.8	5.7	4.8	4.4	14.0	19.4	9.2	4.7	5.9	4.3
Venezuela	51.4	35.8	23.6	16.2	12.5	22.4	31.1	21.7	15.9	12.1	15.4

[1] In accordance with standard practice in the *World Economic Outlook*, movements in consumer prices are indicated as annual averages rather than as December/December changes during the year, as is the practice in some countries. For many countries, figures for recent years are IMF staff estimates. Data for some countries are for fiscal years.

[2] The percent changes in 2002 are calculated over a period of 18 months, reflecting a change in the fiscal year cycle (from July–June to January–December).

[3] For many countries, inflation for the earlier years is measured on the basis of a retail price index. Consumer price indices with a broader and more up-to-date coverage are typically used for more recent years.

[4] Mongolia, which is not a member of the Commonwealth of Independent States, is included in this group for reasons of geography and similarities in economic structure.

Source: International Monetary Fund