

# GENERAL AGREEMENT ON TARIFFS AND TRADE

IMC/20  
10 April 1987

Special Distribution

## Arrangement Regarding Bovine Meat

### INTERNATIONAL MEAT COUNCIL

#### FIFTEENTH MEETING

#### Report\*

Chairman: Mr. Michel Van Meerbeke

1. The International Meat Council (IMC) held its fifteenth meeting on 11 December 1986. It was informed that no new country had signed the Arrangement since its last meeting. Signatories therefore remained at 27, representing 38 countries. The IMC adopted the agenda set out in GATT/AIR/2345.

#### Examination of the functioning of the Arrangement

2. Under this item the IMC continued to discuss the two proposals, put forward by Canada (IMC/W/49 and Add.1) and New Zealand (IMC/W/51) respectively, suggested initially at the December 1985 meeting of the IMC. Both proposals are concerned with facilitating future assessments of the existence of a serious imbalance on the world bovine meat market within the existing framework and operation of the Arrangement as well as facilitating the search for solutions.

3. The representative of New Zealand said that his country's proposal identified three phases, namely (1) indicators of supply-demand imbalance; (2) agreement on elements which would signify the existence of a structural imbalance, as opposed to a cyclical one; and (3) identification of possible solutions which would fit in with the objectives of the Arrangement and result in trade liberalization. He suggested that the discussion should focus on the first stage of the proposal, the indicators, which could be found in Article III:3 of the Arrangement and covered the areas of production, consumption, prices, stocks and trade. These indicators would provide the basis for a list of categories which together could constitute *prima facie* evidence of the existence of a supply-demand imbalance.

4. He said that the proposal had indeed been put forward with a sense of realism, and as a pragmatic approach to the Arrangement, as well as a flexible one. He stated that, notwithstanding the new round of multilateral negotiations, it was his country's view that the IMC should proceed with the dialogue on the proposals, the only manner in which the IMC will come to any conclusions. In his opinion the IMC, and not the Meat Market Analysis Group (MMAG), should discuss these proposals, which he suggested should remain on the agenda for the next meeting of the IMC.

\*A list of participants has been circulated in IMC/TNF/4

5. The representative of Canada noted that the background to the Canadian proposal was that his authorities felt that the MMAG, together with the IMC, had gained considerable experience of how the international beef market operates; it had also collected and collated a large volume of data and information. This experience and the availability of information should be used more by the IMC in order, after proper analysis, for the IMC to be in a position to identify more clearly and in a more timely fashion the existence of an imbalance. He welcomed comments from other participants on this issue. He emphasized that no single one of the indicators may necessarily be sufficient to signal an imbalance and none of them should be taken in isolation.

6. One participant said that in addition to what he stated at the June 1986 meeting of the IMC on this subject, he felt that a number of factors, economic and non-economic, was mixed up in the proposals, [in particular in the one put forward by New Zealand] and formulated in a rather vague way. He was concerned that a discussion about these might touch off polemics. He also felt that the conclusions of one of the proposals entered a field of problems far beyond the normal functioning of the Arrangement. He said that although it was always desirable to try to improve the functioning of the Arrangement, participants must be realistic about it and avoid using a possible improvement in the operation of the Arrangement for purposes other than the actual functioning of it according to realistic economic criteria. He further said that subject to re-formulation a number of factors may be of interest, but others were, in his opinion, of limited economic interest and charged with polemics. He reiterated his suggestion from the June 1986 meeting that the MMAG should be requested to study the question of indicators in order to assist the IMC in furthering the debate on this issue.

7. Another participant reiterated that his country's position on the subject had not changed since the last meeting of the IMC and would not object to the proposals. However, he said that these proposals should not distract participants from the new round of MTN's, during which many of the problems facing the meat sector could be resolved. He said that like others he had some real disagreement with what constituted indicators of imbalance but he was of the opinion that what was important now was to proceed with a dialogue. His country would not object to proceeding with stage one in one of the proposals. He warned however that any recommendation from the IMC of some type of market-sharing arrangement would be very difficult to accept for his country.

8. One participant expressed the view that none of the criteria used to identify a market imbalance was absolutely rigid and none should be interpreted in isolation. He said that the Arrangement could not continue the way it was now and that participants should concentrate on a practical way of improving it, with the full knowledge of the burdens and problems they will have in the process. He noted that one could hardly ignore the negotiating process but he would not accept that, because there were negotiations concerning agriculture elsewhere in the GATT, the IMC should just do nothing while waiting for the results. He further noted that the Uruguay declaration specifically refers to improvement of the MTN agreements and arrangements. Therefore, the IMC should bear in mind the possibility of having a global discussion concerning, firstlv, to what

extent the Arrangement can be implemented and how far it has functioned to the satisfaction of participants; and secondly, the possibilities, within the general framework of the negotiations, of improving it. As concerns the two proposals by Canada and New Zealand, he believed that the first thing to do was to examine whether these were economically viable. The proposals, he thought, should be the basis of some organized discussion.

9. It was agreed that the two proposals remain on the agenda for further discussion at the next meeting.

10. Under this agenda item, the TMC also discussed a background paper on the various support and intervention mechanisms in different producer countries and how they work. This paper, contained in IMC/W/55, is a factual presentation based on information contained in the inventories (IMC/INV/- series) and other information normally supplied to the secretariat. Many participants were of the opinion that it was a useful paper that should be kept up to date and improved upon wherever possible. Some participants said they wished the secretariat also to analyse the effect of these measures. Other participants were of the opinion though that this went beyond the task of the secretariat. It was agreed that the secretariat would be invited to keep the paper up to date, including the part on the functioning of the measures, with the help of appropriate input from participants, adding where possible the reasons why the measures were set up.

#### Replies to the inventory parts of the questionnaire

11. Under this item, participants were reminded of the inventory revision due every three years (rule 18 of the Rules of Procedure) and the six countries who still had not made the revision by the end of 1986 were invited to do so as soon as possible. Participants were also reminded that they are required to notify changes in their policies and measures as soon as these occur and in any case once a year in June (rule 16).

#### Evaluation of the world market situation and outlook

12. To assist the discussion under this item, the TMC had the following documents at its disposal: "Situation and Outlook in the International Meat Markets" (IMC/W/56); "The Medium-Term World Demand/Supply Outlook in the Light of Article IV, Paragraph 1(a) of the Arrangement Regarding Bovine Meat" (IMC/W/16/Rev.2); "The Instability of World Beef Markets" (IMC/W/25, IMC/W/33) and the "Summary Tables" (IMC/W/2/Rev.13). Furthermore, the secretariat circulated an updated table of forecasts.

(i) The acting Chairman of the MMAG, Mr. José Ramon Prieto, reported on the discussion of the Group which took place on 8 and 9 December 1986. He began by recalling that at the TMC meeting in December 1985 it was agreed to send a bovine meat questionnaire to potentially interested GATT contracting parties and observers, not members of the Arrangement, with the intention of getting information for a more comprehensive picture of prospects for trade in bovine meat (see IMC/19, paragraph 16 (IX)). Discussing the future of this experiment, he said, participants were of the view that the information collected this way was useful to the work of the MMAG and the TMC. Therefore, they had agreed to recommend to the TMC that the secretariat be invited to continue to collect data from the thirty-four countries, GATT contracting parties and observers initially approached, and this on an annual basis.

(ii) Turning to the discussion on the market situation and outlook, his first comments were related to the international economic situation. He said that the recovery in the economies of most industrialized countries seemed to have strengthened, even if differences still existed from country to country. The major factors contributing to this improvement had been the sharp decline in oil prices, the fall in the United States dollar, and the drop in interest rates as well as in inflation. However, unemployment rates, although declining somewhat in a number of countries, had remained at worrying levels. Developing countries continued to be faced with depressed international prices for most primary products, and consequently the recovery there remained problematic. Also, the economy in oil-producing countries could only be negatively affected by the drop in oil prices.

(iii) He noted that contrary to estimates in the last June meeting, world production of bovine meat was not expected to have declined in 1986, but to have remained relatively unchanged. This was due to more or less unexpected production rises in a number of major producing countries such as the United States, Argentina and Uruguay, and a lower production fall than earlier expected in the European Community. Production rises had also occurred in Australia and the USSR, while the output of bovine meat had fallen in Canada, Brazil and New Zealand, to name but a few.

(iv) He indicated that consumption of bovine meat, although recovering somewhat in some areas or countries such as the European Community and Brazil and continuing to grow in others, as in Poland, the USSR, Japan and even to almost record levels in Argentina, was still tending to decline in other major consuming areas and especially in North America. Overall, he estimated that the evolution of world consumption of beef and veal in 1986 remained uncertain. Nevertheless, it appeared clearly from the discussions that the international demand for beef and veal was strengthening and this might well be due, at least partly, to some rise in consumption.

(v) He mentioned that world stocks of bovine meat had declined significantly, largely as a result of the fall in the European Community stock levels, but that they were still above historical levels. Obviously, this was due by and large to the important quantities sold to Brazil, but also to the decline in the Community's output of bovine meat as well as to increased consumption provoked by higher disposable incomes.

(vi) Prices of bovine meat in 1986 seemed to be recovering from their extremely low levels of the last few years and, he added, this seemed to be occurring at a moment when large availabilities of all types of meat certainly continued to have a dampening effect on prices. He was, he said, referring to prices not only on the international market, but also on a number of national markets. Of course, he noted, reasons for the price rise varied from country to country and in some cases they had been largely due to exchange rate phenomena, in others to lower levels of output and in still others to a strong increase in demand resulting from higher disposable incomes. However, he made two remarks. Firstly, that the recovery of prices on the international markets for beef and veal, although evident in a number of important cases and for certain types of meat referring particularly to the price increase for imported meat in North

America and for certain cuts of Hilton Beef in the European Community), seemed to be more hesitant in other markets, such as Egypt. Secondly, that the tendency for price recovery was taking place from very depressed price levels and was still very recent. In order to have a full positive impact on the bovine meat industry, it would have to continue. In other words, he said, there was no room for complacency.

(vii) Turning to trade, Mr. Prieto reported that it was expected that there would be an increase in both quantities and values of beef and veal traded in 1986. He suggested that rarely had the international bovine meat trade been so much affected by the situation in one single country, that is, Brazil. In 1986, this country, a net exporter of bovine meat in 1985 and the third largest one, had become a net importer and the second largest one after the United States. The reasons<sup>1/</sup> for this, which the Brazilian representative extensively went through, were related to the implementation of a governmental programme, the "cruzado" plan, which inter alia included a general price freeze and an increase in incomes. This had resulted not only in a strong rise in the demand for beef, but also in the producers' reluctance to sell their cattle at the fixed prices. Consequently, the Brazilian authorities had decided to import, by historical standards, impressive quantities of meat. This had had important consequences on the international markets. The European Community, which was by far the major supplier of the Brazilian market, had been able to reduce its large stocks. As a result, the pressure of these stocks on the international market had levelled off somewhat. The United States had been able to sell virtually all the meat, which it was supposed to export under the Dairy Termination Programme, to Brazil, while Uruguay had seen its exports to this market rise sharply. Sweden and Poland had also sold bovine meat to that country, as well as a number of others. Furthermore, he continued, the absence of Brazil in a number of markets, following a partial suspension of exports, had allowed other countries to sell in those markets. Although other consequences were referred to, he noted that not all exporting countries had been in a position to take advantage of the situation. Indeed, exports had fallen from certain countries such as Argentina, New Zealand and Canada because of lower production levels or higher domestic consumption.

(viii) Referring to the situation in some so-called "smaller countries", the acting Chairman of the MMAG mentioned the example of some Nordic countries, where balance between production and consumption seemed to be under way, and the depressed producer prices in Switzerland as a result of the persisting over-production situation. Turning to Africa, and although he noted that not much had been said of the situation in this region, he pointed out the disastrous effects of two years of extreme droughts and the still low production levels resulting from the consequent herd rebuilding taking place there. He indicated that not much had been said about the Middle East, and suggested that the Council do so. Also Asian countries, other than Japan, had been little referred to, but the Group had received some data from the Australian delegation which was available in the room.

(ix) Before concluding, Mr. Prieto enumerated a few more points which had had, and he thought were likely to continue to have, quite an important effect on the bovine meat market. One was the influence of general economic plans or programmes, illustrated by the Brazilian case, but also

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<sup>1/</sup> See also paragraph 22

by the Argentinian one. A second one was the impact of policies in other sectors, and especially in grain and dairy, as could be seen among others in the this, he continued, the group had been informed by the United States delegate that there were at the time no plans for another Dairy Termination Programme after the current one. However, the European Community might well have to implement further dairy quotas in 1987. A third point was the continuously rising production of cereals, with the consequent fall in their trade resulting in the continuation of depressed feedgrain prices, which could but stimulate meat production. A fourth point was the still rising production of other meats, especially poultry meat, which was having a negative effect on bovine meat intake in many countries. Finally, he said, the consumption of beef and veal also seemed to be increasingly affected by health considerations in a number of countries, and in this connection the beef promotion and research programmes seemed to be gaining favour in some countries.

(x) The acting Chairman of the MMAG concluded by saying that in spite of the fact that Brazil was now taking measures in order to avoid a repetition of the situation it was faced with last year, 1987 still appeared to be a favourable one for most exporting countries. Indeed, a number of positive factors which affected the bovine meat sector in 1986, should continue to exert a major influence in 1987. To these, he said, one should add the decline in production of most major producing areas and noted that, even if the consumption might well not show any remarkable change, the import demand along with export opportunities should rise further. In other words prices should continue to rise. Summarizing, he recognized the existence of encouraging signs, but maybe not yet enough to reassure the bovine meat industry in the longer term.

13. The IMC agreed to invite the secretariat to continue sending a bovine meat questionnaire to the thirty-four countries, contracting parties and GATT observers, not members of the Arrangement Regarding Bovine Meat, initially contacted on an annual basis.

14. In the discussion following the MMAG report, one participant noted that in spite of higher prices on the international market, imported beef prices in Egypt had not increased, and at US\$780-800 for boneless forequarters, prices remained extremely low as a result of some countries' export policies. One participant informed the IMC that his country's (EC) intervention stocks had fallen by some 200,000 tons in 1986 and noted that in 1987 the production of bovine meat in the Community was forecast to fall, in numbers, by 3 per cent, or per weight, by some 2.2 to 2.5 per cent (as a result of the increase in average slaughter weights due to low-priced feedgrains). In 1988 production should stagnate at its 1987 level, as a consequence of the decline in cattle numbers. He concluded by noting that in 1988 the EC market should be closer to balance following an expected consumption rise in 1987 and stabilization in 1988, as opposed to a falling production in 1987 and stagnation in 1988.

15. Some participants recalled, that the price recovery in 1986 was from very depressed levels, and that it was influenced by the Brazilian imports, which allowed some countries to alleviate their very large stocks (even if they remained at worrying levels) or surpluses induced by dairy programmes. Brazil is not expected to continue to be a major importer, and the 1986 sales to this country took place at very low, highly subsidized prices. In

the longer term therefore, there does not seem to be much ground for optimism. Another participant said that 1985 had been a bad exporting year for his country (Colombia) because of problems related to foot-and-mouth disease. This motivated the closure of the traditional market of Colombia, Venezuela. In 1986, the situation improved and a total exportation of 6,800 tons, subject to sanitary approval of the Romanian authorities for the purchase of 5,000 tons of beef, was expected.

16. Commenting on the second revision of IMC/W/16 regarding the medium-term outlook, one participant noted that although it avoids definite conclusions, the facts set out in the document allow domestic policies to be linked with international trade in meats. He regretted, however, that only ten of the twenty-seven members of the IMC had replied to the secretariat's special request for forecasts, reducing any conclusions by the secretariat to guesswork. He consequently issued a plea that fuller data would be made available to the secretariat to allow the report to give useful information.

Examination of national policies linked to trade in bovine meat and live animals

17. Two sets of written questions were received by the secretariat in advance of the meeting (IMC/W/57 and IMC/W/58). The questions were submitted by Australia and New Zealand and addressed to Japan, the European Community, the United States and Sweden.

18. In reply to questions concerning Japan's notification to the GATT Council on 22 November 1986 of the Livestock Industry Promotion Corporation (LIPC) as a state-trading enterprise under Article XVII:4(a) of the General Agreement, the Japanese representative indicated that by virtue of the Law Concerning the Price Stabilization of Livestock Products and Other Matters, the LIPC has been authorized to effectively perform centralized functions in the importation of beef since 1975. The Japanese Government had not considered it necessary to make a notification of state trading under Article XVII of the General Agreement with regard to the Japanese import beef régime, since a part of the beef imports had been conducted by private traders. However, over the last few years (particularly in the Committee on Trade in Agriculture) the Japanese authorities have been hearing the views of a number of countries (including Australia) according to which the activities of the LIPC are in fact state trading and that due notification should be made in the context of the GATT. As a result of further reflection on the matter and taking into consideration such views, the Government of Japan came to the conclusion that such notification was appropriate. He added that this notification was not expected to have any implication for the LIPC's future rôle and activities, and that the Japanese import régime for beef would remain unchanged. Furthermore, his authorities saw no special relation between this notification and the new MTN Round. Referring to the provisions of Article XVII:4(b) he said that his country was prepared, on request, to submit information concerning the import mark-up on beef, or the price charged on the resale of the product. Turning to a question related to the high level of wholesale prices on the domestic market, the Japanese representative answered that although in fact wholesale prices of Wagyu steers were slightly above the stabilization price, the LIPC stocks were at a level which allowed a correction of the situation, without the need of a supplementary beef import quota. As far as measures introduced to expand beef consumption were concerned, he noted

that his Government had cut standard retail prices by 10 per cent at LIPC-designated meat shops as from November 1986. At the same time, the number of these shops was increased by 10 per cent, and special beef sales' fairs, named "Beef Week" were organized in ten different places in the spring and in the autumn of 1986. However, and although they are convinced of the real promotion effect of such measures on beef consumption, his authorities have no concrete data on their results. In reply to a request formulated by the Australian representative concerning written replies to the different questions (and especially to the questions related to the LIPC as a state-trading enterprise, including the Australian request for information on the import mark-up on beef) by the end of 1986, the Japanese representative agreed to submit written replies as soon as possible, to be circulated by the secretariat.

19. Answering a question relating to the target levels for bovine meat production, consumption, exports, imports and stocks, aimed at by the EC proposals to reform its dairy and beef sectors, the European Community representative said that there were no such target levels in the Community. In the EC, the consumption of beef and veal is a function of the evolution of the general economy and of the employment situation. So the forecasts regarding bovine meat depend for a large part on the forecasts on the demographic and general economic developments and especially on the population's purchasing power in the Community. He noted that the proposals for the reform of the dairy and beef régime in the EC aim at a better balance between supply and demand. In a first stage, the slaughterings of dairy cows, following the introduction of new dairy quotas, will increase. However, total female cattle slaughterers in 1987 should decline by 4-5 per cent and the consequences of the decisions of the EC Council will not offset this declining trend. In the medium to longer term, the production of beef and veal will decrease as a result of the decline in the dairy herd, in spite of a current increase in the numbers of breeding cows. He agreed that as a result of the new dairy quotas, EC beef production from dairy cows would increase by some 125,000 tons in 1987 and 1988. However, he said that the Community was expecting a decline of some 200,000 tons in overall beef production during these two years. As far as stocks are concerned, he estimated that they will decline in the next twelve months, as a result of demand both inside and outside the EC. Turning to a question on an additional import quota of 8,000 tons of high-quality beef from Latin America, he said that this was related to the large sale agreement of intervention beef to Brazil and was decided after consultation with the other South American countries and even their producers. Referring to the estimated budgetary cost of the beef régime, for 1987 and 1988, he noted that the budget had not yet been adopted, but that it would be declining because both the intervention stocks and purchases would diminish as the result of an improved market situation. In reply to a question related to the development of surplus stocks of sheepmeat, he indicated that in the European Community, there is no major incitement to the development of the production of sheepmeat. However, one of the EC countries benefits from a particular régime as the result of a higher profitability (probably because of higher wool prices) and in fact, this translates into a more favourable development there. But in the Community as a whole, there is currently no expansion of the sheepmeat output since in the last few years, depressed market prices in a number of countries provoked, in those countries, a decline of both herd and production.

20. Answering a question on the target level for exports of live cattle, the United States' representative said that under the Export Enhancement Programme, the United States have provided for the export of dairy cattle, destined for dairy production and breeding for dairying purposes. There are no export targets. The export levels depend on proposals received either from importing countries or United States' private exporters. He emphasized that the Export Enhancement Programme assists the exporters to meet subsidized competition. The number of dairy cattle authorized for export under the Export Enhancement Programme was 52,500 animals for some 13 countries. The sales take place through the normal market channels and are additional sales for the United States, and must not substantially disrupt the activities of non-subsidizing suppliers. He indicated that the sales prices of these animals vary depending on the country of destination and on the quality of the cattle purchased. The exporters negotiate the sale either with the government agency or the private importer, depending on the country, and the size of the bonus was based on the difference between the actual cost to the exporter and the final selling price. Prices varied between US\$900 and US\$1,250 a head. Referring to sales of 1,500 head of dairy cattle to Bahrain, Kuwait, Oman, Qatar and the United Arab Emirates, under the Export Enhancement Programme, he said that they had been completed by the private sector at various selling prices, depending on the quality of the animals. The negotiated prices in those countries and the bonus to the exporter was calculated as mentioned above. This bonus will be paid in negotiable commodity certificates for any commodity owned by the Commodity Credit Corporation, in other words, by the USDA. Addressing the prospects for access to the United States beef market over the next three years, he said that under the current conditions these prospects are the same as they have been for some time, for both traditional and non-traditional suppliers. No changes in the Meat Import Law which guarantees access are expected. Taking into account that the domestic supply of non-fed beef will be declining in 1987, his country might import more meat, in the current year, as a result of the countercyclical nature of the Law. Turning to the Dairy Termination Programme, he noted that the largest part of the slaughter resulting from its application had taken place before the end of September, and added that the "check-off" system had no impact whatsoever on market access. As a point of clarification, he said that his country had sold 7,500 head of dairy cattle under the Export Enhancement Programme to Indonesia at US\$900 c & f., well above the prices of animals going there from Oceania. He indicated further that the Market Expansion Programme, for domestically produced red meat and meat products, is to be implemented in the 1986/87 marketing year. The targeted countries are Japan and Hong Kong with budgets of 6.5 million and 1.5 million US dollars respectively. Funds will be used to finance media campaigns, aimed at increasing consumer awareness in the demand for United States meat and meat products, in these markets. They will be carried out through a co-operative agreement between USDA/FAS and the United States Meat Export Federation and will be administered by the USDA in accordance with the Food Security Act of 1985.

21. In reply to a question on changes in Swedish policies affecting the exports of subsidized beef to Taiwan, the Swedish representative indicated that no changes had taken place concerning the basic policies in the beef sector, and that there were no proposals to do so. Beef policies in his country mean that price support is given for beef sold to the domestic market and that slaughter levies are applied to all production of beef to finance market regulation mechanisms, which mainly consist of

storing and export activities. Policy measures related to dairy production have also had an effect on the beef sector. These measures included the introduction of the two-price system aimed at reducing milk production, and the application of slaughter premiums for female calves. They have resulted in decreased herds and consequently in lower production of bovine meat. Since beef consumption in Sweden has stabilized in recent years, this means that supply and demand are gradually returning to balance. He further said that exports to Taiwan, which in 1985 rose rather rapidly, remained relatively unchanged in 1986. Most of these exports (2,200 tons) took place in the first half of the year. During the rest of 1986 only about 500 tons were exported. The Swedish representative said that in his country there have not been any recent agricultural policy initiatives to encourage or alleviate imports of beef and veal. The import policy has been the same for many years with only minor changes. He stressed that the import situation that Sweden faced in the seventies was not a normal one. The good economic health of the country, and the introduction of consumer subsidies for meat in those years, resulted in a consumption boom which could only be met by increased imports. These imports came mainly from Australia but it is not realistic to expect such import levels during times when a better balance between production and consumption prevails on the market.

22. The Brazilian representative informed the IMC of policy developments in the meat sector in his country. He noted that the increasing domestic demand for beef observed in the second half of 1985 was even more accentuated after February 1986, when the Brazilian authorities put into effect the "Economic Stabilization Programme". The implementation of the Programme, which resulted in a real increase in wages, included a beef price freeze at the retail level, and was the origin of an agreement on prices between the Government and the producers. The price freeze reduced the domestic supply of beef and the agreement did not work out satisfactorily. Therefore, Brazil was faced with a serious beef supply deficit. In order to meet the most urgent needs, the Government decided to open the beef market to imports and to administer exports in order to comply with contracts still in force. Furthermore, it implemented measures valid both for the Government and for the private sector, aimed at lowering beef export levels until December 1987. Measures also include the fattening of cattle under a feed lot régime with the objective of raising the domestic output by some 200,000 tons, as well as a return to the public stocks system in order to guarantee the beef supply during the off-season. It is moreover expected that a parallel increase in the production of poultry meat and pigmeat will take place due to the normal market trends and to favourable perspectives for the corn crops in 1987, corn being the main ingredient for pig and poultry feeding in Brazil. He said further that in order to elaborate guidelines for dealing with problems in the meat sector in the long run, the Government has established a high level Committee (see also paragraphs 24-27 in IMC/19).

Date of the next meeting

23. Subject to changes as necessitated by the new round of multilateral trade negotiations, the IMC decided to hold its next meeting on Thursday 18 and Friday 19 June 1987, preceded by the meeting of the MMAG on Monday 15 and Tuesday 16 June 1987.