

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

IMC/W/35
30 May 1984

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Arrangement Regarding Bovine Meat

Original: English

INTERNATIONAL MEAT COUNCIL

For discussion under agenda item No. 8 of the draft agenda, the following questions have been submitted by Australia:

EUROPEAN ECONOMIC COMMUNITY

Question 1

In its report to the Council of Ministers of 28 July on the future of the common agricultural policy (COM(83)500) the Commission proposed the introduction of "guarantee thresholds" on commodities such as beef which were in surplus as a result of the "unlimited" price and intervention supports provided under the common agricultural policy. It was specified in the report that guarantee thresholds can be implemented by different procedures including:

- (a) lowering the increase in the target price or intervention price if production exceeds a global guarantee;
- (b) limiting the aids paid under the market regulation to a global quantity;
- (c) participation by producers, by means of a levy, in the cost of disposing of additional production;
- (d) quotas at national level, or at the level of individual enterprise.

What action has the Community subsequently taken or what action is intended to be taken to introduce the concept of "guaranteed thresholds" in the beef sector?

Question 2

In view of the current massive beef surplus what consideration is being given to using EEC funds to promote internal beef consumption instead of subsidizing beef exports on to world markets?

Question 3

Will the EEC delegation provide estimates of the likely effect on beef production of the introduction of production quotas in the EEC dairy sector?

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UNITED STATES

Question 1

In each of the five years since the introduction of the current meat import law in the United States, the global level of access to the United States beef market as determined by the trigger level has declined. Is the United States giving any consideration to modifications to the present law aimed at arresting this trend?

Question 2

In view of the smaller-than-expected response to the dairy cull programme can the United States delegation advise whether any modifications to the programme are likely to be introduced which could further stimulate cow slaughter in 1985?

CANADA

Question 1

Could the Canadian delegation provide details of the increase in EEC subsidized beef exports to the Canadian market in 1982, 1983 and 1984 and the extent to which EEC subsidized beef is undercutting the price of both domestic beef and beef from traditional non-subsidized supplying countries?

Question 2

Could the Canadian delegation comment on whether this trade is contributing to greater instability and uncertainty in the Canadian beef market?

Question 3

What action is being contemplated by Canada to deter this unrestricted growth in subsidized exports from the EEC?

SWEDEN

Question 1

At the ninth meeting of the Council, the Swedish delegation indicated that as from December 1983 the "price addition" system had been abandoned. Could the Swedish delegation comment on how this decision will effect Swedish production, consumption and exports?

Question 2

To what extent is the removal of consumer subsidies likely to reduce consumption and add to export surpluses. Can the Swedish delegation advise the Council of the cost of export assistance measures for beef over each of the past three years and the estimated cost for the current year?