

# GENERAL AGREEMENT ON

RESTRICTED

IMC/INV/14/Rev.7  
20 June 1991

## TARIFFS AND TRADE

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Arrangement Regarding Bovine Meat

Original: Spanish

### INTERNATIONAL MEAT COUNCIL

#### Inventory of Domestic Policies and Trade Measures and Information on Bilateral, Plurilateral or Multilateral Commitments

#### Reply to Parts G and H of the Questionnaire

#### ARGENTINA

#### Revision

The participants have agreed to provide information concerning their domestic policies and trade measures including bilateral and plurilateral commitments on the basis of Parts G and H of the Questionnaire (Rule 16 of the Rules of Procedure). The documents containing replies to these parts of the Questionnaire are circulated under the symbol IMC/INV; they will be revised as and when changes are notified.

This set of documents constitutes the inventory of all measures affecting trade in bovine meat, including commitments resulting from bilateral, plurilateral and multilateral negotiations, which the Council has instructed and secretariat to draw up and keep up to date, under the provisions of Article III of the Arrangement (Note to Article III of the Arrangement and Rule 18 of the Rules of Procedure).

1. Production

(a) Description of the bovine meat industry

Beef has always been a matter of central importance in Argentina. By way of illustration, in the golden age of beef exports they represented over 50 per cent of trade, and with a historic rate of per capita consumption of 80 kg. per year, beef today still represents the main component of the diet of Argentine families.

The livestock sector's share in the Gross Domestic Product remains about 5 per cent.

In 1990 beef exports amounted to US\$677,699,279.39 f.o.b., with 451,081.71 tons equivalent carcass weight.

The EEC, headed by Germany, is the main purchaser of Argentine beef.

The estimated slaughter for the current livestock year - July 1990-91 - is approximately 13,002,544 head. If this is compared with the equilibrium slaughter of 12,400,000 head, it is clear that the livestock herd is continuing to shrink considerably. This liquidation of stocks is particularly clear in the slaughter of young replacement females (heifers and calves): in the first half of 1990 the slaughter rate was high, especially in May, when female animals represented 45 per cent of the total of 1,114,735 head.

The livestock industry operates fundamentally in a free-market framework in which consumption and exports interact. Price variations are the result of the free play of supply and demand, although climatic factors also have an impact by affecting production.

It should be stressed that in Argentina, cattle are raised on large expanses of natural pasture-land.

(b) Government policies influencing production

The National Meat Board promotes sanitary research by means of agreements with the National Institute for Farming Technology. In addition, special loans are granted to the provinces for the national plan for vaccination against foot-and-mouth disease.

2. Price policies and related measures

Argentine cattle farmers either sell directly or through the markets in Liniers, Rosario and Córdoba. The prices they receive depend on demand in the domestic market and export markets, as well as the volume of supply in Argentina.

3. Non-price measures

(a) Animal health

The Argentine Government has continued increasing considerably the resources devoted to the eradication of foot-and-mouth disease, for which purpose it is pursuing its vaccination campaigns under the control of the National Animal Health Service.

4. Internal prices and consumption

Producer, wholesale, retail and export prices are determined by market forces.

On the basis of foreseeable levels of consumption, and export difficulties as a result of the state of the market, as well as Argentine domestic economic and financial circumstances, for the first quarter of 1991 it is estimated that exports will amount to 90,130 tons equivalent carcass weight and domestic per capita consumption for the whole country will average 71 kg. (annualized data).

5. Measures of the frontier

(a) Tariff

Under the new Economic Plan of the Government of Dr. Carlos Saul Menem, whose Minister of the Economy is Dr. Domingo F. Cavallo, export duties have been eliminated: zero tariff for live animals, meat, dairy products, fats and products thereof; 6 per cent for oilseeds and animal fats; 10 per cent for raw hides; 6 per cent for semi-tanned hides; and 0 per cent for tanned hides.