

**GENERAL AGREEMENT  
ON TARIFFS AND TRADE**

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Arrangement Regarding Bovine Meat  
Thirty-First Meeting  
16 December 1994

**MEAT CONSUMPTION TRENDS**

At the twenty-seventh meeting of the Meat Market Analysis Group, held on 15-16 June 1994, participants agreed to reply to a questionnaire regarding meat consumption trends on a voluntary basis (IMC/W/97). The documents containing the replies to this questionnaire are circulated on a country-by-country basis under the document series IMC/W/-.

**NORWAY**

**Question 1**

**Is meat the major source of animal proteins in your country? How does it compare with other animal protein sources such as fish? Have there been any changes in the relation of the consumption of meat and other animal proteins? Why?**

Meat is the major source of animal proteins in Norway. Fish consumption corresponds to approximately one third of the consumption of meat. Consumption of meat on wholesale level has increased by nearly 6 kgs. per capita since 1975. During the same period fish consumption has been relatively unchanged. The quality of the fish statistics is very poor. The authorities have established a programme to develop a better system for collecting such statistics.

**Question 2**

**Which type of meat has traditionally the consumers' preference in your country? Why?**

Consumption of pig meat is higher than the consumption of bovine meat in Norway. Pig meat is and has been cheaper than bovine meat.

**Question 3**

**Do meat consumption *trends* in your country correspond to the general trend described above (see IMC/W/97), i.e. a shift away from red meat consumption to white meat, in particular poultry meat? Please provide evidence.**

Consumption trends in Norway correspond to the general trend described in document IMC/W/97. Total consumption of meat has increased. Consumption of poultry meat has increased more than the consumption of other types of meat.

**Table 1. Consumption of Meat - Index 1989 = 100**

Year	Bovine meat	Pig meat	Poultry meat	Sheepmeat
1989	100	100	100	100
1990	104	102	107	94
1991	107	105	117	90
1992	107	106	115	92
1993	112	114	130	100
1994	114	115	135	96
1995	114	116	137	97

Source: IMC/STAT/NORWAY/94/1

#### Question 4

Which factors among those cited above (see IMC/W/97) (and/or others) affected beef and veal consumption the most in your country? Please elaborate. For example, the following factors and their changes are frequently identified as significantly affecting beef and veal consumption: beef prices; disposable household income; relative prices of other meats; population growth; age structure of the population; health considerations (including those related with production methods); product image; animal welfare concerns. What is the role of those factors? What other factors are relevant?

Lower meat prices are the most important factor to explain consumption trends in Norway. Trends show that meat prices have been reduced. The main reason is the new agricultural policy, which seeks to sell most of the production on the Norwegian market. Therefore, wholesale prices set by the Agricultural Agreement have been reduced for all kinds of meat in recent years. Lower target prices are expected to lead to higher consumption for all types of meat.

Disposable household income has grown in the same period.

Television advertising is only a few years old in Norway.

#### Question 5

Is there any relationship between beef trade and domestic beef consumption in your country? Please elaborate.

Norway has quantitative import restrictions on agricultural products. The aim of the agricultural policy is to reach self-sufficiency in several agricultural products, including meat. Imports of meat represent a small share of total meat consumption. Import restrictions lead to high prices and probably lower consumption of meat products in Norway compared with other countries.

## Question 6

**Are there any policies or other measures in force directed at affecting beef consumption and/or retail beef prices in your country? In the affirmative, please describe the type of measures and the rationale behind them.**

### Agricultural Agreement

The Norwegian price system is nearly identical to the systems implemented for all kinds of meat as well as for eggs. The description of this price system below therefore applies to these other products as well.

Prices for the various categories of meat are set each year in the Agricultural Agreement. These administered prices represent target prices, which are assumed to be possible to achieve on the domestic market given the balance between supply and demand (internal market equilibrium). The price is quoted at the wholesale level, and applies to specified grade(s) of each type of meat. For most categories of meat, the price gap between the target price and the price paid to producers exclusive of price support, has been relatively narrow in recent years.

In Norway, the market regulation of the meat market (except for poultry meat) is implemented by the nation-wide Norwegian Farmers' Meat Marketing Organisation (Norsk Kjøtt). This market-regulator responsibility is entrusted to the meat co-operative due to its dominating market position at the level of producer sales of meat and meat products. Regulatory functions are carried out with full compensation for costs, parallel to its ordinary business activities.

Norwegian Farmers' Meat Marketing Organisation, as market regulator, is thereby also responsible for maintaining the average price for the production year (01.06 - 31.05) at or below the target prices. From this it follows that the prices are permitted to fluctuate slightly throughout the year. For all types of meat, the upper price limit is set at the target price + 10%.

### Food and nutrition policy

Norway has a policy on food and nutrition. The main objectives are to reduce food related health damages in the population, to secure that the food is safe for reasons of health, to make an effort to strengthen consumers influence on food and nutrition policy and to contribute to a warrantable production, distribution and marketing of food for reasons of health, environment and nature resources.

### Border measures in place

The structure of the import regime is the same for all types of meat as well as for eggs. Imports of meat and meat products are regulated pursuant to the Act on Provisional Prohibition on Imports of 22 June 1934 (Lov om midlertidig innførselsforbud m. v.). In accordance with supplementary regulations, the import restrictions on these products are closely connected to the relationship between the actual prices achieved in the market and the target prices set in the Agricultural Agreement. This means that the domestic market is primarily reserved for domestic production, but that import restrictions are suspended and free imports are allowed for all goods in the group when the domestic price of the grade(s) exceeds the upper price limit (target price + 10%) for two consecutive weeks. Import restrictions are re-introduced with nine days notice when prices reach or fall below the upper price limit.

In practice, however, the need for imports is met by the Ministry of Agriculture opening up for quota-regulated supplementary imports whenever necessary in order to secure reasonable market

coverage without letting the price reach the upper price limit. This is permitted in accordance with the Agricultural Agreement. Normally traders themselves take the initiative in opening up for quota-regulated supplementary imports when the market situation takes this turn.

The administration of import restrictions for meat and meat products is handled by the Norwegian Grain Corporation's Policy Implementation Division, which also issues import licences. Import licences are issued for a limited period of time, and are normally only for carcasses and half-carcasses of the product in question. Licences are distributed to traders mainly based on their respective market shares. Meat imported on licence is subject to a price equalization fee which is paid to a fund administered by the Ministry of Agriculture.

The GATT Uruguay Round Agreement on Agriculture will lead to increased meat trade. Norway will reduce tariffs on meat and increase import quotas over six years. The new import system will lead to lower meat prices and increased imports that will provide the consumers with a larger number of different brands.

#### **Question 7**

**Are there other types of measures designed to stimulating meat consumption (promotion campaigns in fairs, audiovisual promotion, particular marketing techniques)? For all types of meat or for a particular type of meat? Please specify.**

7. Norway has an Information Office for Meat that provides to consumers brand-neutral information and knowledge about meat and meat products. The Information Office for Meat tries to stimulate meat consumption.

#### **Question 8**

**Retail trade practices are changing fast in a rising number of countries. Butcheries are being affected by competition from supermarkets and hypermarkets. Is this the case in your country? How is it affecting meat consumption in general, and beef and veal in particular? Is meat quality being affected?**

8. No information available.

#### **Question 9**

**Is the catering market an area of expansion in your domestic market? How does it affect the consumption of the different types of meat?**

9. No information available.

**Question 10**

**Could you forward to the Secretariat any study/document, official or non-official, which your authorities believe might be helpful for a better assessment and understanding of meat consumption trends in your country?**

10. There are no studies or documents available in English.