

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Multilateral Trade Negotiations

Group "Agriculture"

Sub-Group on Meat

ARRANGEMENT REGARDING BOVINE MEAT

Basis for Negotiation

1. Pursuant to the meeting of the Sub-Group on Meat of May 1978, the secretariat has prepared, to the extent possible and in the light of the discussions at the last meeting, the following revision of MTN/ME/W/24/Rev.3.

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ARRANGEMENT REGARDING BOVINE MEAT

Preamble

Convinced that increased international co-operation and concerted/co-ordinated action within a multilateral framework should be carried out in such a way as to contribute to the achievement of greater liberalization, stability and expansion in international trade in meat and live animals;

Taking into account the need to avoid serious disturbances in international trade in bovine meat and live animals;

Recognizing the importance of production and trade in bovine meat and live animals for the economies of many countries, especially for certain developed and developing countries;

Mindful of their obligations to the principles and objectives of the General Agreement on Tariffs and Trade;

Determined as well, in carrying out the aims of this Arrangement to implement the principles and objectives agreed upon in the Tokyo Declaration of Ministers, dated 14 September 1973 concerning the Multilateral Trade Negotiations, in particular as concerns special and more favourable treatment for developing countries./

The participants in the present Arrangement have, through their representatives, agreed as follows:

PART ONE

GENERAL PROVISIONS

Article I - Objectives

The objectives of this Arrangement shall be:

- (1) to promote the expansion and ever greater liberalization of international trade in bovine meat and live animals;
- (2) to contribute to the fullest extent possible to the stability and growth of the international meat and livestock market for the mutual benefit of both importing and exporting countries;
- (3) to encourage greater international co-operation in all aspects of the trade in bovine meat and live animals;
- (4) to internationalize meat markets to the benefit of both consumer and producer, importer and exporter;
- (5) to facilitate the progressive dismantling of obstacles and restrictions to world trade in bovine meat and live animals;
- (6) to secure additional benefits for the international trade of developing countries in bovine meat and live animals through an improvement in the possibilities for these countries to participate in the expansion of world trade in these products;
- (7) to maintain and develop the existing trade flows for traditional and efficient producers;
- (8) to collect, revise and publish information relating to production, consumption, prices, stocks and trade in all forms of live bovine animals and meat;
- (9) to monitor trends in production, consumption, prices, stocks and trade of all sorts of live animals and meat and to make assessments at appropriate intervals;

- (10) to afford adequate opportunity for consultation regarding such representations as may be made by participants with respect to any matter affecting international trade in the bovine sector;
- (11) to examine problems affecting international trade in the bovine sector and to identify possible solutions within a multilateral framework for consideration by governments so as to reduce market instability and facilitate the orderly expansion and liberalization of trade in the bovine sector.7

Article II - Product Coverage

1. This Arrangement applies to bovine meat. For the purpose of this Arrangement, the term "bovine meat" is considered to include:

| | <u>CCCN</u> |
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| <u>/(a)</u> Live bovine animals | 01.02 <u>/</u> |
| (b) Meat <u>and</u> edible offals <u>/</u> of bovine animals, fresh, chilled or frozen | ex 02.01 |
| (c) Meat <u>and</u> edible offals <u>/</u> of bovine animals, salted, in brine, dried or smoked | ex 02.06 |
| (d) Other prepared or preserved meat or offal of bovine animals | ex 16.02 |

and any other product that may be added by the International Meat Council, as established under the terms of Article VII of this Arrangement, in order to accomplish the objectives and provisions of this Arrangement.

Article III - Information and Market Monitoring

1. All participants agree to provide regularly and promptly to the Council, the information which will permit the Council to assess the overall situation of the world market for meat and the situation of the world market for each specific meat.
2. The information that the participants undertake to provide pursuant to paragraph 1 of this Article, according to the modalities that the Council shall establish, shall include data on past performance and current situation and an assessment of the outlook regarding production (including the evolution of the composition of herds), consumption, prices, stocks of and trade in the products referred to in Article II, and any other information deemed necessary by the Council, in particular on competitive products. Participants shall also provide information on their domestic policies and trade measures in the bovine sector and shall notify as early as possible any changes in such policies and measures /including the carrying out of bilateral and plurilateral commitments/ that are likely to affect international trade in live bovine animals and meat.
3. The secretariat of the Arrangement shall monitor variations in /the level of/ certain market data, in particular herd sizes, stocks, slaughterings and prices, so as to permit early detection of the symptoms of any serious imbalance in the supply and demand situation. The secretariat shall keep the Council apprized of significant developments on world markets.

Article IV - Co-operation

1. The Council shall meet in order to:
 - (a) evaluate the world supply and demand situation and outlook on the basis of an interpretative analysis of the present situation and of probable developments drawn up by the secretariat of the Arrangement, on the basis of documentation provided in conformity with Article III of the present Arrangement, and of any other information available to the secretariat;
 - (b) proceed to a comprehensive examination of the functioning of the present Arrangement.
2. If after evaluation of the world supply and demand situation referred to in paragraph 1(a) of this Article, or after examination of information pursuant to paragraph 3 of Article III, the Council finds that a serious imbalance or a threat thereof is developing in the international meat market, the Council will proceed /unanimously/ /by consensus/, taking into particular account the situation in developing countries, to identify, for consideration by governments, possible solutions /which will be consistent with the principles and the rules of the GATT/.
3. Measures which could be taken in terms of paragraph 2 of this Article, could include unilateral, bilateral, plurilateral or multilateral actions, having a direct or indirect impact on supply and/or demand in world markets. /Such measures could also include adjustments of national policies./ Depending on whether the Council considers that the situation defined in paragraph 2 of this Article is temporary or more durable, the measures referred to in paragraph 2 of this Article could include short-, medium- or long-term measures to contribute to improve the overall situation of the world market.
4. When considering the suggested measures pursuant to paragraphs 2 and 3 of this Article, due consideration shall be given to special and more favourable treatment to developing countries, where this is feasible and appropriate.

Article V - Other General Provisions

1. Health and sanitary measures

Pro Memoria

/Without prejudice to whatever might be decided elsewhere concerning the applicability to these measures of all or part of the rules deriving from the Code of Conduct, and without bringing into question the legitimate necessity for each government to protect human and animal health and life, it should be accepted that all such measures would be notified if possible before their implementation, that consultations would be initiated among interested countries (upon request) and that the negative effects of any of the measures on trade could be the subject of appropriate possible solutions.

If the consultations do not result in the measure under reference ceasing to constitute an obstacle to the development of trade toward or from a particular country, on the proposal of the parties concerned the Council may identify measures that would tend to terminate the trade situation created or to promote additional arrangements consistent with the objectives set forth in Article I of the present Arrangement.^{1/}

2. Safeguards

Pro Memoria

/Without prejudice to the outcome of the negotiations in the Group "Safeguards", or in the light of bilateral, plurilateral or multilateral commitments deriving from the present Arrangement, consideration will have to be given to more stringent provisions for this sector designed basically to ensure compliance with those commitments. To that end, prior consultation and injury seem to be two of the aspects which will have to be considered in connexion with differential and more favourable treatment for developing countries that might be affected by the application of safeguard measures.^{1/}

^{1/}As regards general guidelines in regard to health matters, account should be taken of the suggestions set forth in paragraph 29 of document MTN/3B/23.^{1/}

3. Negotiation

In accordance with the objectives of this Arrangement, as specified in Article I, participants undertake to contribute to the fullest possible extent to the stability, expansion and ever greater liberalization of world trade in (bovine) meat and live animals in the interests of both importing and exporting members.

To this end, and consistent with the principles, rules and disciplines of the General Agreement on Tariffs and Trade, participants shall on a regular basis, enter into substantive discussions with a view to continuing, beyond the concessions and commitments set out in the schedules to the General Agreement, the progressive dismantling of obstacles to world trade in (bovine) meat and live animals, including both tariff and non-tariff barriers.]

4. Subsidies

Pro Memoria

[In this sector too, due account will have to be taken of the outcome of the work in the Group on Subsidies and Countervailing Duties. Nevertheless, for this particular sector consideration should also be given to subsidies of any kind that contribute to distort markets for the products covered by the present Arrangement, including those applied at stages other than that of export but having effects similar to those of export subsidies.]

[Participants recognize that subsidies which either increase exports or reduce imports of (bovine) meat and live animals endanger the fulfilment of the objectives of this Arrangement and, accordingly, undertake to avoid the use or maintenance of such subsidies.

Participants undertake that export subsidies will not be applied in a manner which increases exports to a national or world market. Participants further undertake to progressively reduce the levels of such subsidies with the object of eliminating them at the earliest practicable date.

Any participant(s) which currently grants any subsidy on exports shall in addition to complying with the provisions of GATT Article XVI, notify the Meat Council in writing at least once a year, for as long as the subsidization continues, of the extent and nature of such subsidization, of the estimated effect of such subsidization on the quantity of the affected products imported into or exported from its territory and of the circumstances making such subsidization necessary. Furthermore such participant(s) shall, upon request, discuss with other participant(s) concerned or in the Meat Council, in accordance with the undertaking in paragraph 2 above, a programme for eliminating the subsidization. In any case in which such matter is brought before the Meat Council the Council may examine the case with the participants concerned and make such recommendations as it deems necessary.

The provisions of this Article shall be reviewed by the Meat Council from time to time with a view to examining its effectiveness, in the light of actual experience, in achieving the objectives of this Arrangement and in avoiding the use of subsidies which prejudice the trade or other interests of participating countries./

5. /Dispute settlement

Each participant shall promptly afford adequate opportunity for consultation regarding such representations as may be made by any other participant with respect to any matter affecting this Arrangement. If a satisfactory solution cannot be reached the Council shall, at the request of a participant, meet within a period of not more than [X] days to consider the matter, with a view to facilitating a satisfactory solution.

If, following consideration by the Council, problems continue to exist between participants and these affect the rights and obligations of participants under the GATT, participants shall have recourse to the normal GATT dispute settlement procedures./

PART TWO

SPECIFIC PROVISIONS

Article VI

/Concerted disciplines

- (a) The provisions of this Article are applicable to the products listed in Article II.
- (b) Each participant undertakes to take the steps necessary to adjust
 - its import policy in all the necessary elements so that imports are carried out under as regular and orderly conditions as possible;
 - its export policy in all the necessary elements so that exports are carried out as regularly and in as orderly a manner as possible.
- (c) The bilateral or plurilateral commitments, which specify the nature of the commitments entered into, are set forth in the Annex to the present Arrangement.]

[All bilateral, plurilateral or multilateral commitments existing between the countries participating in the present Arrangement, in respect of products covered by Article II, and likewise those resulting from present or future negotiations, will have to be added and incorporated as an Annex to the present Arrangement.

Likewise, an information annex will have to be added, setting forth the commitments of participating countries in respect of non-member countries where these can in any way affect the normal operation of the present Arrangement.]

Article VI bis

/Agreements between participants

- (a) The provisions of this Article are applicable to the products listed in Article II.

- (b) The obligations entered into by the participants in pursuance of the objectives of this Arrangement, are set forth in the Annex to the present Arrangement.

[All bilateral, plurilateral or multilateral commitments existing between the countries participating in the present Arrangement, in respect of products covered by Article II, and likewise those resulting from present or future negotiations, will have to be added and incorporated as an annex to the present Arrangement.

Likewise, an information annex will have to be added, setting forth the commitments of participating countries in respect of non-member countries where these can in any way affect the normal operation of the present Arrangement.

PART THREE

Article VII - Administration of the Arrangement

1. International Meat Council

An International Meat Council shall be established within the framework of the General Agreement on Tariffs and Trade. The Council shall comprise representatives of all participants to the Arrangement and shall carry out all the functions which are necessary to implement the provisions of the Arrangement. [The Council shall act by consensus.] The Council shall be serviced by the secretariat of the Arrangement.

2. Regular and special meetings

The Council shall normally meet at least twice a year. However, the chairman may call a special meeting of the Council either on his own initiative, or at the request of a participant to the present Arrangement [in view of the information communicated in terms of Article III.]

PART FOUR

Article VIII - Final Provisions

1. Entry into force

This Arrangement shall enter into force, for those participants having accepted it, on . For participants accepting this Arrangement after that date, it shall be effective from the date of their acceptance.

2. /Amendments/ /Revision/

The provisions of this Arrangement may be amended by the Meat Council as established in the terms of Article VII, paragraph 1.

/3. Relationship between the Arrangement and the Annex

The Annex is considered to form an integral part of the present Arrangement.

4. Relationship between the Arrangement and the General Agreement on Tariffs and Trade

Nothing in the present Arrangement shall affect the rights and obligations of participants under the General Agreement on Tariffs and Trade.

5. Acceptance

(a) This Arrangement is open for acceptance, by signature or otherwise, by governments, (including the competent authorities of the European Communities) members of the United Nations or of one of its specialized agencies.

(b) This Arrangement shall be deposited with the Director-General to the CONTRACTING PARTIES to the GATT who shall promptly furnish a certified copy thereof and a notification of each acceptance thereof to each participant in the Arrangement.

6. Withdrawal

Any government (including the competent authorities of the European Communities) may withdraw from this Arrangement. Such withdrawal shall take effect upon the expiration of sixty days from the day on which written notice of withdrawal is received by the Director-General to the CONTRACTING PARTIES to the GATT.

/ANNEX

Results of Bilateral or Plurilateral Negotiations Extracted
from the Schedules Annexed to the /Geneva/ (...) Protocol
and Annexed to the Present Arrangement/

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