GENERAL AGREEMENT ON TARIFFS AND TRADE

Group on Meat

REDDRAFT OF THE DRAFT REPORT SUBMITTED BY SOME DELEGATIONS

Objectives

1. In the Resolution adopted on 21 May 1963, the Ministers gave directives with a view to the formulation of the rules to govern, and the methods to be employed in, the creation of acceptable conditions of access to world markets for agricultural products in furtherance of a significant development and expansion of world trade in such products. The Ministers considered that in the case of meat, general arrangements might be required and they instructed the Group on Meat to negotiate appropriate arrangements.

2. The Group has held three meetings, from 1-5 July 1963, on 26 November 1963, and from 9- April 1964. Before it were documents presented by the Governments of Argentina (Spec(63)206), Australia (Spec(63)197 and Spec(64)76), the United States (Spec(63)305), New Zealand (Spec(63)203 and Spec(64)78), the Federation of Rhodesia and Nyasaland (Spec(63)285) and the United Kingdom (Spec(63)190).

Nature of arrangements

3. Many countries emphasized that there were several markets for meat with characteristics so different that it would be difficult to establish a uniform set of criteria for the development of international trade in that product. In
their view, the Group should examine the particular situation of each import market and each type of meat, with a view to negotiating appropriate arrangements. The general arrangement could take the form of a statement of objectives, guidelines and procedures which would be supplemented by more specific arrangements concerning the different markets. The representative of the EEC stated that, in accordance with the Community's interpretation of the Ministerial Resolution, the Community intended to make all agricultural products subject to the same negotiating rules and that it was a matter of priority to determine those rules. Others challenged this interpretation and pointed out that the directive of the Ministers to the Meat Group was to negotiate "appropriate arrangements".

4. The Group has considered in the first instance meats of cattle and sheep; at an early date the Group intends to recommend a more precise definition of the products which it believes should come within its cover. In the light of these discussions, the Group has identified and agreed upon the elements which should enter into the negotiations (TN.64/Me/3).

Agricultural policies and access

5. In accordance with the ministerial directive, the Group has directed its attention primarily to the means of achieving the objective of acceptable conditions of access. The Group was unanimous in recognizing that questions relating to national production policies and to market access were closely related and therefore the negotiations should cover all relevant elements of the question as thus defined.
6. In the view of most members of the Group, those countries which support their domestic industry should adjust the totality of their policies affecting trade and production so as to provide acceptable conditions of access to their markets for meat exporters. There was a broad measure of agreement that to this end importing countries will be required to undertake commitments which assure efficient exporting countries access to markets on predictable terms and for acceptable quantities in accordance with the objectives stated in paragraph 1. Such commitments should include the opportunity to share in the growth of consumption. No attempt has yet been made to determine the precise nature of the commitments which would be undertaken by importing countries. It is accepted, however, that the effectiveness of these commitments would be judged by the resulting level of trade.

7. There was a broad measure of agreement that frontier barriers to trade of meat-importing countries should be open to negotiation. As in the case of internal support measures, the nature and significance of these barriers varies from country to country, and again a pragmatic approach will be necessary.

8. The United States representative stated that his Government had concluded bilateral agreements with its major suppliers, which could be considered for incorporation in a general arrangement. The understanding which the Government of the United Kingdom had already reached with its suppliers of bacon and the further understanding which it expected to seek with its major suppliers of meats of cattle and sheep could also be considered for such incorporation.
9. The representative of the EEC expressed the view that the various protective measures in the agricultural sector were indissociable and that the fundamental element of the negotiations lay in the negotiation and binding of the support margin. In his view, the support margin adequately defined possibilities for access to markets.

**International prices**

10. It is the general view that the arrangements which emerge from the work of the Group should aim at ensuring stable and remunerative prices for efficient producers whilst being fair to the consumer. The representative of the Community emphasized the importance of the reference price as a stabilizing factor and expressed the view that in negotiating that price, account would have to be taken of the peculiar features of the meat market.

**Assurances of supply**

11. For their part, exporters have expressed, in relation to the access commitments undertaken by importing countries, their willingness to consider undertakings in regard to assurances of supply as part of an acceptable arrangement.

**Market development**

12. While all members of the Group acknowledged the need to develop new markets as rapidly as possible, they recognized the possibilities in this field as being in most instances of a rather long-term character.

**Future procedures**

13. It has been proposed that the Group might best proceed at its next meeting by examining each of the products within its terms of reference with a view to negotiating specific arrangements incorporating the elements listed above.
14. In order to carry out this work it will be necessary for the Group to have additional information in regard to conditions in a number of markets. In particular, the Group has noted that the European Economic Community will be submitting for examination by the CONTRACTING PARTIES its regulations on beef and veal. The Group was of the view that an examination of these regulations jointly with Committee II at an early date would be of considerable assistance to the Group in its further work. In addition, the Group has asked the secretariat to prepare an analysis of existing support measures and barriers to trade in the various meat importing countries.