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 are revised as and when changes are notified.

This set of documents will constitute the inventory of all measures affecting trade in bovine meat, including commitments resulting from bilateral, plurilateral and multilateral negotiations, which the Council has instructed the 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.)

Note: This document has been revised in accordance with the three-year rule contained in Rule 18 of the Rules of Procedure, and replaces all previous IMC/INV/1/... documents.
"PART G"

Part G.I. Information on Domestic Policies and Trade Measures

I. Production

(a) Description of the meat industry

In Brazil the meat industrial sector comprises slaughterhouses, refrigerated warehouses and meat-processing industries. About 70 per cent of these establishments are supervised by the Federal Inspection Service of the Ministry of Agriculture. In 1983 these establishments accounted for 80 per cent of the 2,359,975 tons of meat produced in Brazil.

The value of industrial production of bovine meat - in thousand cruzeiros - represented 10 per cent of the total value of Brazil's agricultural output in 1983.

For 1984, a reduction is expected in total output of bovine meat, to a level around 2,300,000 tons, i.e. 2.5 per cent less than in the preceding year.

As regards methods used in meat production, there have been important changes in the past two years. In cattle production, mainly in the South, South-East and Central-West regions of the country, there has been a shift from extensive grazing methods to intensive methods (isolation and feed supplements). This is an important aspect because, through use of these methods, major improvements in cattle productivity are hoped for, inter alia through a reduction in slaughtering age and an increase in average carcass weight.

In the field of animal health, the campaign against foot-and-mouth disease, which has been under way since 1963, is keeping this disease under control in certain important producing areas such as the South and South-East regions and the southern part of the State of Goiás. It is important to note that meat produced in these regions is ready for export to the most demanding and most sophisticated markets.

Certain economic factors are impeding more rapid development of the cattle-slaughtering industry, for example pronounced economic recession aggravated by Brazil's large foreign debt, decline in earnings of the middle-class - the major consumer of meat - reflected in a decline in per capita consumption from 16 kg. in 1982 to 14 kg. in 1984, and lastly rapid inflation at a rate of more than 200 per cent per annum.

(b) Government measures which influence cattle production

In 1982, major changes were made in the Beef Buffer Stock Plan. Whereas until then the Government had held stocks during the slaughtering season and sold them between seasons, it now leaves the responsibility of stocks to producers, refrigerated warehouses and meat-processing industries while granting them credits for the financing of storage operations. Producers
receive a credit for finishing and fattening cattle through isolation treatment and feed supplements for slaughtering during the period between slaughtering seasons, with the aim of stabilizing supply throughout the year. The refrigerated warehouses and meat-processing industries have received credits to establish frozen meat stocks, mainly in order to stabilize prices during the period between slaughtering seasons.

In 1984 no financing was granted to the private sector for establishment of a buffer stock. The Government undertook to establish a stock of 20,000 tons of meat imported from Uruguay, for strategic purposes.

In the field of zootechny, the Beef Cattle Research Centre of EMBRAPA (the Brazilian agricultural research institute) is engaged in a number of programmes, including the following: (1) evaluation and genetic improvement of feeding stuffs; (2) analysis of growth and breeding capacity of beef cattle; (3) evaluation of development of cross-breeding between cattle and zebus in various regions of Central Brazil; (4) dissemination of technology.

II. Internal prices and consumption

There is no Government intervention in regard to domestic market prices, which are determined by the operation of supply and demand. In regard to consumption, the free market policy is likewise applied and there is no subsidization.

III. Measures at the frontier

(a) Import tariffs

The Government had envisaged the import of 70,000 tons of bovine meat in 1984, of which 50,000 to be imported by the private sector - through refrigerated warehouses and meat-processing industries for processing and re-export under the drawback system - and 20,000 tons by the Government for the establishment of the buffer stock mentioned in I.(b). By the end of October 1984, however, the private sector had imported only 18,000 tons and the Government 7,000 tons. These imports were admitted duty free.

In September 1984 some changes were made to import policy. For example, CACEX (the Foreign Trade Department of the Bank of Brazil) liberalized the import of several products including: (1) live animals; (2) meat and edible meat offals; (3) other products of animal origin.

(b) Restrictive measures on imports

There are no measures of this kind.

(c) Export incentive measures

Brazil is currently experiencing great financial difficulties because of its foreign debt and successive increases in interest rates on the external market. Consequently, credit restrictions are applied in all areas of the economy. In this context the National Monetary Council has decided
to make some changes in export policies. In respect of bovine meat the
changes have been the following: to limit financing and increase interest
rates applied on credit for the production of meat intended for export -
Resolutions 882 and 883, replacing Resolution 674 - and reduction of the
rate of industrial products tax which in November 1984 was reduced from
11 to 9 per cent and is to be further reduced progressively and fully
eliminated in 1985.

(d) Health regulations on imports

There have been no changes in the health regulations for meat imports.
Resolution CONCEX No. 131 of 13 January 1981, already communicated to GATT,
is still in force.

(e) Export and import quota policies for meat

At the present time there is no policy of export or import quotas.
The market adjusts to need.

"PART H"

Information on Bilateral and Plurilateral Agreements in the Field
of Bovine Meat

There are no bilateral or plurilateral agreements in this area.