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 partly 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 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/2/... documents.
PART G

Part G.1. Information on Domestic Policies and Trade Measures

I. Production

The ongoing adjustment of the common agricultural policy to market trends is being carried out with a view to the general objectives laid down in the Treaty of Rome, and, with regard to livestock farming and meat, the policy implemented is aimed at controlling supply in relation to demand trends and above all at stabilizing the meat market, of which cyclical production and price movements are a central feature.

(a) Cattle-farming structures

Cattle farming accounts for about one third of the end production of agriculture (meat representing some 14 per cent and milk about 19 per cent), and concerns roughly one farm in two.

At the end of 1987, there were 2,535,600 cattle farms, with an average of 31.6 head of cattle per farm.

In recent years cattle farming structures have changed profoundly:

- decline in the number of cattle farmers, at a rate of about -4.5 per cent annually, in particular through the disappearance of small farms; and
- increase in the number of animals per farm by about one quarter during the last cyclical period.

Three main categories of cattle farmers may be distinguished, corresponding to the following three types of activity:

- cows for culling and young calves (milk production);
- pasture-grazed suckler herds and adult bovine animals (oxen);
- young male beasts fattened in specialized production premises with cereal-based fodders (maize ensilage).

With the large-scale development of organized production of bullocks, young male beasts now account for more than one third of total bovine meat produced in the Community.

(b) Sanitary regulations

The European Community has banned the use of certain hormones for fattening animals in all member States and to that end has introduced Community controls to ensure the uniform and general application of the standards laid down by the Community for consumer health protection.
(c) **Meat market support and/or stabilization measures**

Official prices of animal products have been set at the following levels:

<table>
<thead>
<tr>
<th>For marketing year</th>
<th>Intervention price for class R3 male adult bovine animals</th>
<th>Basic price for pig carcasses</th>
<th>Basic price for sheep carcasses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986/87</td>
<td>344.00</td>
<td>203.33</td>
<td>432.32</td>
</tr>
<tr>
<td>1987/88</td>
<td>344.00</td>
<td>203.33</td>
<td>432.32</td>
</tr>
<tr>
<td>1988/89</td>
<td>344.00</td>
<td>203.33</td>
<td>432.22</td>
</tr>
</tbody>
</table>

The common organization of the bovine meat market has been modified as from April 1989, in particular through the introduction of a tendering procedure for intervention purchases of carcasses of male adult bovine animals classified according to the Community scale for classification of carcasses of adult bovine animals, and the introduction of a single system of premiums paid directly to farmers.

The new price support system includes:

- fixing of purchase prices by a tendering procedure;
- ceiling on quantities purchased by tender in normal market conditions of 220,000 tons per year;
- thresholds for triggering intervention purchases set as follows:

<table>
<thead>
<tr>
<th>Market price as % of intervention price, equals ECU 344/100 kg. carcasse</th>
<th>Tender</th>
<th>Under</th>
<th>Safety</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;220,000t</td>
<td>&gt;220,000t</td>
<td>regionalized intervention (3 MS together &gt; 55% of Community production)</td>
<td>Safety net</td>
</tr>
<tr>
<td>Community market price</td>
<td>&lt; 88%</td>
<td>&lt; 84%</td>
<td>&lt; 80%</td>
</tr>
<tr>
<td>Market price/member States</td>
<td>&lt; 84%</td>
<td>&lt; 80%</td>
<td></td>
</tr>
</tbody>
</table>
The new system of premiums is harmonized at community level:

- the calving premium and the variable slaughter premium have been discontinued;
- the premium for maintenance of suckler cow herds has been increased from 25 to 40 ECU per cow; a supplementary premium of 25 ECU per cow may be granted at national level (of which 20 ECU are financed by the EAGGF in Greece, Ireland and Northern Ireland);
- the special premium for male bovine animals has been raised from 25 to 40 ECU per head, subject to a ceiling of ninety eligible male bovine animals at least nine months old (or < at twelve months) per calendar year and per farm; this premium is paid either on the slaughter of male bovine animals with a carcass weight of 200 kg. or to the farm when they are first marketed for slaughter.

In the sheepmeat and goatmeat sector a guarantee threshold has been established, together with a mechanism for varying the premium payable to farmers to compensate for loss of income.

The total cost of payments made during the last three years by the EAGGF-guarantee on behalf of the bovine meat sector amounted to:

<table>
<thead>
<tr>
<th></th>
<th>1986</th>
<th>1987&lt;sup&gt;1&lt;/sup&gt;</th>
<th>1988&lt;sup&gt;2&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,481.7</td>
<td>2,148.7</td>
<td>2,475.6</td>
</tr>
</tbody>
</table>

<sup>1</sup> Ten months
<sup>2</sup> Eleven and a half months

II. Internal prices and consumption

After the downward trend observed during the period 1984-1987 in the market price of bovine meat (feed costs, milk quotas), there is currently an upwards movement in prices following the cyclical trend in production and prices.

With a view to the absorption of stocks of intervention bovine meat, sales at reduced prices to groups of a social character have continued, and bovine meat has been distributed freely to those in most need.

III. Measures at the frontier

Following the introduction of the combined nomenclature of goods established on the basis of the harmonized system which was the subject of an international convention, the Community regulations concerning livestock farming and meat have been adapted accordingly using the integrated tariff of the European Communities (Taric).
In the framework of the estimated supply balances to be drawn up every year, the Community has opened the possibility of importing the following quantities in 1989:

- 20,000 tons of frozen bovine meat for processing, with total suspension of the levy for 13,350 tons and partial suspension of the levy for 6,650 tons; and
- 175,000 head of young male cattle for fattening with partial suspension of the levy.

Independently, for 1989 it has also been decided to open an exceptional import tariff quota of 6,000 tons of high-quality bovine meat.
PART H

Information on Bilateral or Plurilateral Agreements in the Field of Bovine Animals, Meat and Offals

The European Community has expanded some bovine meat import quotas following the enlargement of the Community to include Spain and Portugal, and eased certain special bovine meat import arrangements, in particular for meat from ACP countries.

Thus, under the agreement with the Argentine Republic on the conclusion of negotiations under GATT Article XXVI, following the accession of Spain and Portugal, the Community undertook to increase the import tariff quotas:

- for frozen meat, from 50,000 to 53,000 tons, and
- for high quality meat, to 34,300 tons.

Under the co-operation agreement with Yugoslavia, new import arrangements have been established for baby beef, providing, for the first quota of 25,000 tons, for a reduction in the import levy to 20 per cent of the basic levy.

Moreover, the Community has unilaterally opened an independent tariff quota at a rate of 4 per cent of 1,500 tons of frozen bovine thin skirt.