

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

IMC/16  
7 June 1985

Special Distribution

## Arrangement Regarding Bovine Meat

### INTERNATIONAL MEAT COUNCIL

#### Special Meeting

#### Report by the Chairman (Mr. Minoru Nose)

1. The International Meat Council (IMC) held a special meeting on 15 May 1985 in response to the invitation by the CONTRACTING PARTIES to examine "the adequacy and effectiveness of ... the Arrangement ... and the obstacles to acceptance which contracting parties may have faced, providing an opportunity to non-signatory contracting parties to express their views in the discussion" (L/5756). A short background paper, prepared on the responsibility of the secretariat, was available to assist the discussion (IMC/W/44).
2. Participants from the following signatories attended the meeting: Argentina, Australia, Brazil, Bulgaria, Canada, European Community, Finland, Hungary, Japan, New Zealand, Poland, Romania, South Africa, Sweden, Switzerland, United States, Uruguay and Yugoslavia. Spain attended the meeting as an observer.
3. The Chairman recalled that in accordance with the provisions of the Arrangement Regarding Bovine Meat (Article IV:1(b)), each regular meeting of the IMC had on its agenda an item dealing with the functioning of the Arrangement, i.e. with its effectiveness and adequacy.
4. All participants speaking were of the view that the provisions in the Arrangement concerning exchange of information and transparency, in particular statistical data, worked very well, both on the basis of responses to the questionnaire and in discussions in the Meat Market Analysis Group. This exchange of information, it was said, was of great value for meat experts and for a better understanding of both national and international markets.
5. Several participants, while stressing that the Arrangement and its objectives remained worthy of the strongest support, were of the view that several of the objectives of the Arrangement had not yet been met, such as the dismantling of obstacles and restrictions, the promotion of expansion, ever greater liberalization and stability of international trade in meat and livestock, improved international co-operation with a view to greater rationalization and more efficient distribution of

resources in the meat and livestock sector, and additional benefits for developing countries. These participants were of the opinion that the lack of result of the recent working party, set up by the IMC to examine the problem of a serious imbalance or threat thereof in the international bovine meat market, provided evidence of a deficiency in the way the Arrangement was working. They believed that, although it was inevitable that differences of opinion existed among participants, a full and constructive analysis of the issues had been prevented by some participants, contributing to the inability of the Working Party to reach agreement on proposals for solutions. This called into question, some participants thought, the extent to which any real progress could be made in solving problems in the world bovine meat market when issues could be addressed and solved only on the basis of consensus which participants could block by their veto power. It was suggested that, although decision-making by consensus was to be preferred as a practicable procedure, there might now be a case for considering a modification of voting procedures to include not only consensus, but also, for example, simple majority, weighted majority, proportional support etc. for different types of decisions, in order that all relevant issues could be adequately considered and disposed of satisfactorily. It was also suggested that, given the concerns noted above as well as the context and history of the negotiation of the Arrangement, objective criteria to signal the existence of an imbalance or threat thereof should be developed as should some improved procedures to deal with such a situation.

6. Some other participants did not share the negative views of the Arrangement expressed above. They considered that, although several of the objectives had not yet been reached, the overall balance of the work undertaken in the IMC and in the Meat Market Analysis Group was positive. As concerns the lack of results in the Working Party, reference was made to the report of the International Meat Council's special meeting held in February and March this year (IMC/15), especially its paragraphs 6 and 17. In particular, one participant said, the lack of result stemmed from a fundamental difference of views in regard to the willingness to examine all elements that could have an influence on the current situation. Furthermore, since a common view on the appraisal of the situation could not be found, it was difficult to find solutions. This participant did not share, either, the views expressed above concerning decision-making by consensus and suggested modification of this GATT rule, considering that decision by consensus best served the aims and provisions of the Arrangement. It was also suggested that the functioning and the fulfillment of the aims of the Arrangement could be improved by more active participation of experts, a more harmonized data basis and improved forecasts of the market outlook. Furthermore, the discussions in the IMC should concentrate more on the variations in the market data in order "to permit early detection of the symptoms of any serious imbalance in the supply and demand situation" in accordance with Article III, paragraph 4 of the Arrangement.

7. As concerns obstacles to acceptance of the Arrangement, reference was made to IMC/W/44 in which membership was set out in some detail. Participants agreed that there did not seem to be any particular obstacles inherent in the Arrangement or its functioning to keep interested countries from signing it. Nevertheless, one participant suggested that it might be useful to intensify informal consultations with, in particular, non-signatory developing countries, in order to encourage membership. Only one observer (Spain) was present during the discussion, the representative of which noted that in all likelihood his country would be a member of the EEC soon and thus also a member of the IMC. Participants hoped that non-signatories that had expressed an interest by attending meetings of the IMC as observers would seriously consider membership of the Arrangement.