II. Process for dealing with an imbalance

The determination of the existence of an imbalance, or of the threat of imbalance, would automatically trigger a consultative process aimed at its resolution. Factors to be taken into consideration during the consultative process might include the following:

1. Measures which any Council member might take to reduce domestic production or encourage domestic consumption. Examples of factors which might be entertained are: adjustment of domestic price support measures, establishment of production quotas, premiums for calf slaughter, special sales of beef at reduced market prices, increase in import quota.

2. Measures to alleviate an imbalance in a zone of world trade. Examples of measures which might be undertaken are: co-operation in the determination of new market outlets (including the possibility of trade diversion), the expansion of import quotas by other countries to accommodate diverted product, restraint on exports to that region, a reduction in subsidies on exports to that zone.