

# GENERAL AGREEMENT ON TARIFFS AND TRADE

CONFIDENTIAL

IMCG/W/53  
27 April 1978

International Meat Consultative Group  
Tenth Meeting  
27 April 1978

Original: Spanish

## SITUATION AND TRENDS IN ARGENTINA'S BOVINE SECTOR

(Information Furnished by the Delegation Concerned)

### 1. Cattle herd and slaughterings

At 30 June 1977, the cattle herd was still the level of 60 million head as recorded during the two preceding years. Since then, however, aggregate slaughterings have gone beyond the point of equilibrium of net stock reproduction; the cattle herd is tending to decline and is expected to reach a level in the vicinity of 59 million head in mid-1978.

The table below reflects the trend in the livestock herd and cattle slaughterings from 1972 on, with estimated figures for the current year 1978:

Year	30 June inventory (million head)	Slaughterings	
		(million head)	(thousand tons)
1972	52.3	10.0	2,191
1973	54.8	9.8	2,149
1974	57.8	10.1	2,163
1975	59.8	12.1	2,438
1976	60.0	13.9	2,811
1977	60.0	14.7	2,909
1978	59.0	15.5	3,050

### 2. Domestic consumption

Demand for domestic supply continued very firm in 1977 and is expected to rise in 1978, with an expected increase in slaughterings and less competitive pressure from export demand.

The following figures illustrate the trend in domestic consumption of bovine meat from 1972 on, with forecasts for 1978:

Year	Total consumption (thousand tons)	Population (million inhabitants)	Per capita consumption (kg./inhabitant)
1972	1,485	24.0	62
1973	1,613	24.4	66
1974	1,857	24.7	75
1975	2,172	25.1	86
1976	2,278	25.5	89
1977	2,296	25.9	89
1978	2,420	26.3	92

### 3. Exports

Argentina's bovine meat exports reached a total of 583,000 tons (carcass weight, bone-in), reflecting a consolidation of the recovery which had begun in 1976, after the pronounced decline in 1974 and 1975 caused by the stringent import restrictions imposed by the European Economic Community. As may be seen from document IMCG/STAT/16/Add.3/Suppl.1, this recovery was attributable in part to purchases by Greece, Spain and Portugal (i.e., the three countries that are now engaged in the procedures for acceding to the EEC), Russia, Israel and various countries of North Africa and West Africa.

It is of interest to examine the trend in bovine meat exports, by principal types and geographical destinations, in the years 1972 to 1977 as shown below in uniform comparative figures, carcass weight, bone-in:

('000 tons)

Year	ALL DESTINATIONS			EEC			US	OTHER DESTINATIONS		
	Chilled and frozen	Preserved and cooked	Total	Chilled and frozen	Preserved and cooked	Total	Preserved and cooked	Chilled and frozen	Preserved and cooked	Total
1972	519	184	703	394	71	465	100	125	13	138
1973	413	138	551	316	45	361	84	97	9	106
1974	157	132	289	95	38	138	77	62	17	79
1975	117	145	262	40	62	102	63	77	20	97
1976	308	219	527	108	108	216	90	200	21	221
1977	382	201	583	123	93	216	81	259 <sup>a/</sup>	27 <sup>b/</sup>	280

<sup>a/</sup> The 259,000 tons consigned to "other destinations" in 1977 were made up as follows (chilled and frozen bovine meat):

'000 tons

African countries	56	(North 17; West 37 and East 2)
Russia	48	
Greece	47	
Spain	23	
Portugal	17	
Israel	17	
Canary Islands	15	
Chile	8	
Switzerland	6	
Austria	5	
Peru	4	
Brazil	3	
East Germany	3	
Netherlands Antilles	2	
Miscellaneous	5	

<sup>b/</sup> The 27,000 tons of "preserved and cooked" bovine meat consigned to "other destinations" in 1977 were made up as follows:

'000 tons

Puerto Rico	8
Canada	3
Jamaica	2
Trinidad	2
Barbados	2
Miscellaneous	6

For the current year 1978, initial forecasts for Argentina's bovine meat exports are in the region of 600,000 tons, i.e. slightly above the preceding year's level (583,000 tons carcass weight equivalent, bone-in).

#### 4. Meat Act

On 31 January 1978 the new Meat Act, No. 21,740, was promulgated; it entered into force as from 16 February 1978 and constitutes the new legal statute of the NATIONAL MEAT BOARD which was set up in 1933 and functions as an independent body within the Ministry of Agriculture and Livestock. The Board is responsible for promoting and supervising trade and industry in respect of livestock, beef and veal, mutton and lamb, pig meat, horse meat and goat meat.

Under the new Act, the Board comprises ten members; a Chairman and Vice-Chairman designated by the Ministry of Agriculture and Livestock; four Government representatives, designated respectively by the Ministries of Agriculture and Livestock, Trade and International Economic Negotiations, Industrial Development and Maritime Interests; four representatives of the private sector (two for the producers' organizations, one for the meat packing industry and one for the livestock traders).

Another important reform is the reduction in the contribution charged by the National Meat Board on the value of livestock sales for slaughter or for export on the hoof; whereas the contribution was formerly at the rate of 2.35 per cent, entirely payable by the seller of livestock for slaughter, it has now been fixed at a maximum of 1 per cent, of which 0.67 per cent is paid by the seller and 0.33 per cent by the purchaser. In addition, commission agents acting as intermediaries in sales of livestock or by-products now pay a contribution to the Meat Board at the rate of 0.5 per cent on the amount of the commissions they receive for intervening in business dealings in respect of livestock, meat and by-products.

As regards exports, the National Meat Board will intervene upon request by foreign purchasers, in which case - and subject to authorization by the Ministry of the Economy - it will be able to conclude export agreements in respect of livestock, meat or by-products, carrying out the corresponding shipments for the account of private export firms participating in supply operations. Likewise, where appropriate and solely in order to facilitate trade operations, the Meat Board will be able to act as co-ordinator for export firms in the conclusion of export agreements.