

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

IMC/INV/15/Rev.6
5 June 1987

Arrangement Regarding Bovine Meat

Original: French

INTERNATIONAL MEAT COUNCIL

Inventory of Domestic Policies and Trade Measures and Information on Bilateral, Plurilateral or Multilateral Commitments

Replies to Parts G and H of the Questionnaire

TUNISIA

Revision

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 being 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.)

PART G

Part G.I. Information on domestic policies and trade measures

Introduction

Cattle farming is concentrated mainly in the north (80 per cent of the cattle herd), where favourable weather conditions contribute to year-round fodder potential.

In the centre and south of the country, cattle farming is limited to irrigated areas close to the major urban centres (Sousse, Sfax, Gabes). Beginning in 1978, the cattle herd declined owing to unfavourable weather in 1978 and 1979, the stagnation of producer prices for milk and meat and inadequate milk-collecting facilities. Following an increase in producer prices for meat and milk in the fourth quarter of 1984, the herd tended to increase. This year's drought (1986), however, has once again produced a reduction of the cattle herd, especially of local and crossed breeds largely living in the open.

The number of female units¹ of the cattle herd has varied as follows:

Year	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
Number	479,000	428,000	345,000	350,000	324,000	321,000 ²	337,000	342,000	354,000	334,000

Obviously, this downturn was reflected in general in a reduction in meat production until 1983, followed by some improvement in 1984 and 1985 for the reasons mentioned above, as shown in the following table:

¹ A female unit = an in-calf heifer, or a cow which has calved at least once and is accompanied by 0.8 head - 1 F.U. = 1.8 head of cattle.

² According to the most recent surveys by the Directorate for the Plan and statistics of the Ministry of Agriculture.

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Year	1977	1978	1979	1980	1981	1982 ¹	1983	1984	1985	1986
Meat proper	38,500	34,300	32,000	29,100	29,600	28,100	27,300	29,400	32,000	34,800
Offal	5,775	5,145	4,800	4,800	4,446	4,215	4,100	4,410	4,800	5,200
Total bovine meat	44,275	39,445	36,800	33,900	34,046	32,315	31,400	33,810	36,800	40,000
% of total meat production	42.10%	39.70%	28.30%	24.30%	25.10%	22.60%	23.80%	23.50%	27.50%	27.80%

However, in view of the substantial domestic demand for bovine meat and milk, the Seventh Plan (1987-1991) provides for a substantial expansion of cattle farming with a view to the attainment of the country's self-sufficiency in meat and to an appreciable reduction of its milk imports. The measures envisaged are of three kinds:

1. Technical measures

(a) Improvement of the genetic potential of the cattle herd by:

- extension of artificial insemination and cross-breeding;
- increasing the proportion of pure-bred stock, to be raised from 50,000 F.U. in 1981 to 135,000 F.U. in 1991, by importing 15,000 in-calf heifers and selecting 15,000 from Tunisian cattle farms;
- strengthening of the Performance Control Service and the Herd-Book Registration Service;
- organization of fairs and competitions.

¹ According to the most recent surveys by the Directorate for the Plan and statistics of the Ministry of Agriculture.

(b) Encouragement of the inclusion of cattle farming in crop farms by granting credit and subsidies for the establishment of optimum conditions for success and the creation of supply and marketing networks.

(c) Strengthening of information and technical assistance services for cattle farmers.

(d) Creation of development companies to engage in intensive cattle farming and importation by these companies of 4,000 Holstein cows in 1987-1988.

(e) Health coverage for the entire cattle herd.

2. Economic measures

- Periodic updating of producer prices for milk and meat whenever there is an increase in one of the production-factor components. Thus, there were consecutive increases in producer prices for milk and meat in 1982, 1983 and 1984 (the price of beef increased between May 1982 and October 1984 from D1.590 to D2.300 per kg. and that of milk from D0.200 in 1982 to D0.220 in 1983). These prices will probably be revised in the course of 1987 (at 6.11.85, US\$1 = D0.790).

- Extension to stock-farmers of sources of financing, including substantial subsidies, for the acquisition of livestock, construction of stock-farm buildings, purchase of relevant equipment and introduction of fodder crops.

- Encouraging the creation of service co-operatives with a view to reducing the production and marketing costs of cattle-farming products.

3. Legislative and fiscal measures

- Updating the legislation governing credit and subsidies granted to stock-farming in relation with real prices.

- Creation of an agency to promote agricultural investment and of a development bank to encourage agricultural ventures.

- Exemption from import charges on bovine animals for breeding purposes, stock-farming equipment, fodder-crop seeds and the raw-material components of concentrated feeds.

I. Production

(a) Factors affecting meat production

1. Insufficient production of fodder, due to difficult climatic conditions, hence high production costs.

2. Inadequate genetic potential of animals, hence low meat yield.
3. Inadequate integration of stock-farming in the agriculture sector.
4. Poor marketing network.

(b) Policies of the Government to influence production

The principal measures taken to encourage production are:

1. Improvement of fodder quality and productivity through the establishment of technical facilities (Development Offices) in all parts of the country, with a view to introducing species of fodder that are more productive and suited to the weather conditions of each region.
2. Improvement of genetic potential through the generalization of artificial and natural insemination services and of performance control, and the organization of fairs and competitions with incentive prizes awarded to the best stock-farmers.
3. Encouragement of the establishment of marketing and supply structures (Service Co-operatives and Milk Collection Centres).
4. Material and technical assistance to stock-farmers for the fattening of bullocks.
5. Legislation regulating the slaughter of cattle and prohibiting the slaughter of animals that have not reached the required average weight and of female animals in calf.
6. Health coverage through the organization and financing of prevention drives against the major bovine diseases.
7. Granting of credit and subsidies to stock-farmers.
8. Continuation of artificial insemination services free-of-charge.
9. Subsidization of inputs for stock-farming: fodder seeds, fertilizers, concentrated feeds.
10. Promotion of the creation of large cattle-farming units.

(c) Support or stabilization measures

1. Three adjustments of domestic producer prices since 1982, to make them remunerative for stock-farmers.
2. Stabilization of consumer prices through imports of sufficient quantities of bovine meat to restrain price rises.

3. Exemption from customs duties and reduction of the production tax for imports of meat and dairy products.
4. Grant of subsidies at various levels of production; for breeding animals, equipment, inputs and construction.
5. Periodic updating of the criteria and rates for credit and subsidies to the sector.

II. Internal prices and consumption

(a) The producer prices for bovine meat increased from D1.850 per kg. in 1983 to D2.300 in 1984. Consumer prices for grades 3 and 2 were fixed at D1.400 and D1.700 respectively. Only the prices of choice cuts (grade 1) were increased, from D2.200 to D2.500 as from March 1984. Two further increases were made, at the end of December 1984 and the end of July 1985. The retail price of this product is currently D3.200 per kg. (grade 1), D2.800 per kg. (grade 2), and D2.300 per kg. (grade 3).

(b) There have been two improvements in consumer purchasing power through wage increases, in 1981 and 1982, and continuing intervention by the General Compensation Fund for bovine meat only, the price of which is no longer subject to tax since 1 December 1982. Since 1 January 1985, however, there has been no further intervention by the General Compensation Fund in the bovine meat sector.

(c) The above-mentioned Government measures serve to satisfy the domestic demand for bovine meat.

III. Measures at the frontier

(a) Customs tariff:

01.02 - Live animals of the bovine species:

A.	Milch cows	32.5 per cent
B.	Other	32.5 per cent

01.04 - Live sheep and goats:

A.	Pure-bred sheep for breeding	17.5 per cent
B.	Pure-bred goats for breeding	17.5 per cent
C.	Other	17.5 per cent

02.01 - Meat and edible offals of the animals falling within heading Nos. 01.01 to 01.04, fresh, chilled or frozen)
) Meat 32.5 per cent
) Offals 21.5 per cent
)

Each year, legal texts are adopted exempting all these products from customs duty and lowering the rate of the production tax on them.

(b) There are no exports of meat at present.

(c) The specific health regulations applied at the frontier are in conformity with the provisions of the health regulations of the IOE. These measures are applied and health control is exercised at the frontier by the Livestock Directorate of the Ministry of Agriculture.

PART H

Part H. Information on bilateral or plurilateral agreements in the field of bovine animals, meat and offals

Tunisia has been a member of the International Office of Epizootics since its establishment.

Tunisia has not entered into any bilateral or plurilateral commitments in the bovine meat sector.