Arrangement Regarding Bovine Meat

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

YUGOSLAVIA

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 will be partly revised as and when changes are notified.

This set of documents will constitute 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 Agreement (Note to Article III of the Arrangement and Rule 18 of the Rules of Procedure).

1For replies to the statistical parts, see IMC/STAT/20.
PART G

PART G 1. Information on domestic policies and trade measures

I. PRODUCTION

(a) Factors influencing the production of bovine meat

The stability of the production of bovine meat is conditioned by many factors of which the most important are:

- production of fodder;
- economic policy measures;
- situation on the market.

The production of bulky fodder on ploughed fields is satisfactory, however, the cultivation of crops for fodder is being replaced by grain, industrial crops and vegetables. The greatest possibilities for producing fodder are in meadows and pastures which cover two and four million hectares of available agricultural land, respectively. The yields on these types of fields are low and the improvement of production requires considerable investment.

(b) The policies and measures of the Government and other bodies which can influence production, except support measures or stabilization

The economic policy measures which can influence production of bovine meat are regressed to mineral fertilizers, grass seeds and other fodder crops as well as semen of bulls and breeding stock and compensations to consumers.

The policy of cattle purchasing is not geared towards long-term support of the development of cattle-raising. When the supply is greater than the demand, the purchasing price of cattle falls sharply, in such periods slaughter-houses sometimes do not buy fattened heifers. When demand is greater than supply, purchasing prices rise sharply, which leads to a disturbance on the market. Irregular purchases and low prices are conducive to a decreased interest of producers to raise animals, which is followed by a decline in production.

The following measures are planned for the promotion of meat production in the coming period:

- the intensification of fodder production on meadows, pastures, the activation of unploughed and abandoned land, as well as the improvement of storage of fodder;
- promotion of the co-operative movement and other forms of co-operation aimed at strengthening the socially-organized cattle production and common facilities for the production and raising of cattle;
- development and promotion of the service for the selection and reproduction of cattle (artificial insemination and hybridization programmes);
- introduction of modern technology in production and processing;
- the establishment of an appropriate balance of prices between fodder, cattle, meat and meat products;
- apart from modern technology and intensive breeding, the development and promotion of medium-intensive and pasture breeding;
- the securing of initial resources for the reconstruction of existing and building of new facilities for the production of breeding stock;
- securing of credits for an organized production of beef and breeding stock;
- co-ordination of slaughterhouse capacities and meat finishing and processing facilities with the production of meat for the domestic and foreign market and others.

(c) Support or stabilization measures and list of support or stabilization instruments

The measures of support and stabilization are taken by republics, regions and municipalities. The most frequent instruments are: complete or partial exemption from tax and contributions. In particular cases (Alpine breeding) compensations are introduced. Credit is given for the construction of stables in the form of breeding premiums and other fringe benefits.

(i) Protective (guaranteed) prices

In order to stimulate production and ensure the stability of the livestock market, production and sales as well as protective prices are prescribed for live cattle during the current year for the coming one. Beside the prescription of prices at the Federal level, producers receive credits for organizing the breeding of cattle and for stocks.

The production sales and protective prices for young cattle amount to (in dinars per 1 kg.):

<table>
<thead>
<tr>
<th>Year</th>
<th>1980</th>
<th>1981</th>
<th>1982</th>
</tr>
</thead>
<tbody>
<tr>
<td>- production sales prices</td>
<td>27.60</td>
<td>56.00</td>
<td>66.90</td>
</tr>
<tr>
<td>- protective prices</td>
<td>24.30</td>
<td>50.40</td>
<td>60.26</td>
</tr>
</tbody>
</table>
(ii) Amount of production subsidies

As a rule, the production of bovine meat is not subsidized. The exceptions are compensations and support instruments which we have cited.

(iii) Average income and price balance on the domestic and international market

The average income of rural households from cattle-raising amounted, in dinars, to: 17,428 in 1978 and to 20,014 in 1979. These receipts vary depending on the size of the property and the labour productivity on the farm.

The average retail prices of meat in Yugoslavia are lower than the retail prices in developed European countries.

II. DOMESTIC PRICES AND CONSUMPTION

(a) Wholesale and retail prices on major domestic markets

The prices of live cattle are unique on the Yugoslav market, while retail prices of meat differ by municipalities. They differ in the amount of compensation given by municipalities.

In November 1980 and 1981 retail prices of bovine meat in larger consumption centres were (in dinars per 1 kg.):

<table>
<thead>
<tr>
<th></th>
<th>1980</th>
<th>1981</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgrade</td>
<td>99.20</td>
<td>120.00</td>
</tr>
<tr>
<td>Sarajevo</td>
<td>99.15</td>
<td>122.60</td>
</tr>
<tr>
<td>Titograd</td>
<td>92.00</td>
<td>.....</td>
</tr>
<tr>
<td>Zagreb</td>
<td>99.00</td>
<td>.....</td>
</tr>
<tr>
<td>Ljubljana</td>
<td>99.15</td>
<td>122.00</td>
</tr>
<tr>
<td>Priština</td>
<td>90.00</td>
<td>120.00</td>
</tr>
<tr>
<td>Skoplje</td>
<td>99.15</td>
<td>107.00</td>
</tr>
</tbody>
</table>

(b) Factors which influence the development of domestic consumption

The consumption of bovine meat per inhabitant has increased from 4.9 kg. in 1952 to 14.8 kg. in 1979.

The consumption of bovine meat depends on the supply of this type of bovine meat and other types of meat. In Yugoslavia more pork than beef is consumed; its consumption per inhabitant is 22.6 kg. (1978). Apart from the supply, the consumption of meat is also determined by the purchasing power of the population and the amount of substitution for other meats.
(c) Policies and measures which influence consumption

There are no particular measures and policies linked to the consumption of bovine meat.

III. MEASURES AT THE FRONTIER

(a) Customs tariff:

01.02 Live animals of the bovine species:

1. Pure-bred breeding species:
   (a) Bulls 5 per cent
   (b) Cows 5 per cent
   (c) Bullocks and heifers 5 per cent
   (d) Calves 5 per cent
   (e) Buffaloes 5 per cent

2. Other:
   (a) Bulls 10 per cent
   (b) Oxen 10 per cent
   (c) Cows 10 per cent
   (d) Bullocks and heifers:
      (i) for fattening, of a weight of more than 200 kg., but not more than 280 kg. 12 per cent
      (ii) fattened, of a weight of more than 280 kg., but not more than 450 kg. 12 per cent
   (e) Calves 12 per cent
   (f) Buffaloes 10 per cent

ex 02.01 Meat and edible offals of the animals falling within heading No. 01.01, 01.02, 01.03 or 01.04, fresh, chilled or frozen:

1. Meat of bovine animals, with bone-in:
   (a) Veal:
      (i) slaughtered calves, with skin 12 per cent
      (ii) other 12 per cent
   (b) Beef 12 per cent
   (c) Meat of buffalo 12 per cent
   (d) Other 12 per cent

Reference should be made to Article 2 of the Customs Tariff Act which reads: "For the goods marked with a cross (+) in the Customs Tariff (Chapter, headings or tariff item) customs quotas may be specified pursuant to stipulations of Article 49 of the Customs Act ('Official Gazette of the SFRY' No. 10/76)."
2. Meat of bovine animals, boneless 12 per cent

6. Offals:
   (a) Viscera 6 per cent
   (b) Other 6 per cent

ex 02.06 Meat and edible meat offals (except poultry liver), salted, in brine, dried or smoked:

2. Other 15 per cent
   (a) Beef 15 per cent
   (b) Veal 12 per cent
   (c) Viscera 12 per cent
   (d) Other 15 per cent

ex 16.02 Other prepared or preserved meat or meat offal:

1. Canned meat:
   (a) Beef 15 per cent
   (f) Mixed:
       (i) With vegetables 15 per cent
       (ii) Other 15 per cent
       (iii) Viscera 15 per cent
       (iv) Other 15 per cent

(b) Import measures

With regard to the importation of some products encompassed by the Arrangement a régime of commodity quantity quotas is established for a period of one year. The commodity quota comprises the importation of those products which are important for the implementation of Yugoslavia's development policy and the policy of protecting domestic production based on domestic raw materials and intermediary products. The level of the quota is determined by self-management agreements which are concluded by organizations of associated labour – producers, consumers and importers – keeping in mind the balances of a given product.

The commodity quota régime refers to the following products:

01.02/2 Other live animals, except buffaloes.
02.01/1/(a), (b) and (c) Meat of veal, beef and buffaloes, with bone-in.
02.06/2/(a) and (b) Meat and edible meat offals of beef and veal, salted, in brine, dried or smoked.
When importing any product covered by the Arrangement, a tax is paid for balancing the tax burden of 6 per cent, as well as a separate tax for customs registration in the amount of 1 per cent of the value of the product imported. All products on which a customs duty is paid are subject to these taxes (all dutiable goods) ("Official Gazette of the SFRY", No. 22/68, 57/76, 74/80 and 35/76).


(c) Export measures

For the exportation of some products covered by this Arrangement it is mandatory to acquire an export licence, which is issued by the Federal Secretariat for Foreign Trade. The purpose of issuing export licences is the stabilization on the home market of some agricultural and nutritional products.

Export licences are required for the following products:

01.02/1/c Pure-bred breeding bullocks and heifers.
01.02/1/d Pure-bred breeding calves.
01.02/2/d Other bullocks and heifers.
01.02/2/e Other calves.
02.01/1/a Meat of veal, with bone-in.

Export Licences are applied on the basis of the Law on the Exchange of Goods and Services with Foreign Countries ("Official Gazette of the SFRY", No. 15/77) and the Decision on determining goods whose export and import is regulated ("Offical Gazette of the SFRY", No. 35/78, 25/79, 54/79, 34/80, 41/80, 61/80, 66/80, 67/80, 8/81, 17/81, 20/81 and 27/81).

The stimulating of export of products covered by this Agreement is done by way of the Fund for the Promotion of the Production and Export of Cattle and Cattle Products (STOFO), whose members are the producers and exporters of these products, and whose contributions finance the fund. The level of subsidies varies depending on the type of product and the degree of processing it has undergone and is determined by the members of STOFO by mutual agreement. Depending on the conditions of placement of these products on foreign markets, the members of STOFO decide by agreement also about the transfer of resources which are at their disposal for these purposes from one presentation to the next.
(d) Description of internal regulations and of agreements governing inclusion of products in tariff headings or sub-headings

Yugoslavia applies the Council's Customs Co-operation Nomenclature (CCCN).

Veterinary-sanitary regulations which have been concluded by a convention with a given importer country are applied to the exportation of cattle and bovine meat. If such a convention does not exist, what is applied are the "regulations on the manner of loading, re-loading and unloading of consignments of animals, animal products, animal raw materials and animal offals in internal exchange, exports, imports and transit, on conditions which must be met by the means of transportation, on hygiene-technical requirements that the consignment must meet as well as on the form of the certificate concerning the state of health of the consignment intended for export" ("Official Gazette of the SFRY", No. 22/79).

Veterinary-sanitary regulations are also applied to the imports of live animals for breeding, according to the conventions which Yugoslavia has concluded with the countries of origin of the product. In cases when there is no such convention, the requirements prescribed by the Decision of the Federal Committee for Agriculture are applied. They have not been published but can be obtained from this Committee upon request.

For the importation of other animal products, Yugoslavia sets special requirements which are given by the Federal Committee for Agriculture. These requirements have not been published but every interested party can ask for them and obtain them from the Federal Committee for Agriculture.

PART H

Notification of bilateral or multilateral agreements relating to cattle, bovine meat and viscera.

Among the multilateral agreements, Yugoslavia participates in the International Office for Cattle Diseases to which it acceded in 1924.

With the EEC, starting with 1970, when the first SFRY-EEC Trade Agreement was concluded, then the second Agreement of 1973 and the present new Agreement on Co-operation between the SFRY and the EEC, which was concluded on 2 April 1980, a certain scale of reduction of the levy has been established for imports of live bullocks and bullock meat from Yugoslavia into the EEC. This concession is based on the specific quality of bullock meat of the baby-beef type. This principle was notified to the GATT upon the conclusion of the first Agreement SFRY-EEC which contained this concession.
The Trade Agreement SFRY-EEC which is currently in force establishes a scale of reduction of the levy within the framework of the global annual quota of 50,400 tons; monthly quotas in the amount of 4,200 tons and the respect for the level of the guide price.

Yugoslavia has also signed veterinary conventions or agreements with the following countries: Austria, Belgium, Bulgaria, Czechoslovakia, France, Greece, Italy, German Democratic Republic, Federal Republic of Germany, Poland, Romania, Turkey, Hungary, Albania, USSR, Mongolia and the People's Republic of China.