

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

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Limited Distribution

Arrangement Regarding Bovine Meat

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INTERNATIONAL MEAT COUNCIL

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

Reply to Parts G and H of the Questionnaire

HUNGARY

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 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 Agreement (Note to Article III of the Arrangement and Rule 18 of the Rules of Procedure).

PART G

Part G.1: Information on Domestic Policies and Trade Measures

I. PRODUCTION

(a) Factors affecting meat production

In Hungary, herd numbers and animal production continued to decline in 1992. This was particularly noticeable in the co-operatives under transformation where there was a huge fall in the number of animals.

Cattle herds in Hungary totalled 1,159 thousand head on 31 December 1992, including 456,000 cows. Cattle numbers dropped by 18 per cent and were 31 per cent below their level four years earlier. The number of cows decreased by 11 per cent (62,000 head) in 1992. Regarding the whole animal farming, the sharpest fall took place in cattle and pig numbers.

(b) Policies and measures of government or other bodies likely to influence production, other than support or stabilization measures

The Hungarian Agricultural Policy Act VI of 1993 came into force on 1 March 1993. The organization of the agricultural marketing régime is the task of the Ministry of Agriculture or rather of the Agricultural Marketing Régime Office set up by the Ministry. In the application of the Law, the following instruments can be used for the stabilization of the meat market in Hungary: target price, intervention in case of market disturbance, export and import subsidies etc. Regulations are being prepared.

II. CONSUMPTION

Per capita consumption of bovine meat decreased from 6 kg. in 1991 to approximately 5.5 kg. in 1992. This negative trend was influenced not only by the production fall, but also by the declining purchasing power and rising meat prices. It is worthy of note that pigmeat plays the major rôle in meat consumption (29 kg./capita in 1992), while bovine meat represents only about 10 per cent of the overall meat consumption.

III. MEASURES AT THE FRONTIER

(a) Customs tariff (as of 1 January 1992)

At present the m.f.n. tariff rates are 15 per cent for live animals, bovine meat and pigmeat, but 20 per cent for sheep meat and poultry meat. In the case of meat preparations, tariff rates vary between 15-25 per cent.

For 1993, the following import quotas, benefiting from a 20 per cent reduction of the tariff rate, have been opened for the EC: 1,050 tonnes of pig (01.03); 105 tonnes of poultry (01.05); 5,250 tonnes of bovine meat (02.02); and 500 tonnes of pigmeat cuts (02.03). Therefore, the import tariff rate for these quotas is 12 per cent instead of 15 per cent.

(b) Import measures at tariff line level

(1) Charges and fees

Unchanged

(2) Global quota

Unchanged

(3) Licensing

Unchanged

(c) Export measures at the tariff line level

(1) Export subsidy (1993)

Ex HS	Product description	Export subsidy (%)
0102.90	Live bovine for slaughtering	10*
0103.92	Pig for slaughtering	-**
01.04	Sheep for slaughtering	10***
02.02	Bovine meat	30
02.01	Pigmeat and products therefrom	
	Sheepmeat, goatmeat	
	- sales to EEC markets	15
	- sales to other markets	20
02.07	Slaughtered chicken and products therefrom	30
02.07	Other slaughtered poultry (duck, geese, turkey, cock, hen, pigeon, guinea fowl, quail) and products therefrom	15-30

Note: As a result of the EEC meat embargo in April 1993, a supplementary export subsidy has been necessary as follows:

* Supplementary export subsidy of 10 per cent for young cattle between May-July 1993

** Supplementary export subsidy of 10 per cent for 50,000 head of pigs between June-August 1993

***Except non-EEC countries, to which a 15 per cent export subsidy applies

PART H

Part H Information on Bilateral or Plurilateral
Agreements in the Field of Bovine Animals,
Meat and Offals

None.