



# LEGISLATION CONTROLLING THE INTERNATIONAL BEEF AND VEAL TRADE



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## FOREWORD

The international trade in beef and veal is by far the largest component of the international meat trade. And yet, figures reported by the FAO Intergovernmental Group on Meat, at its eleventh session in February/March 1985, show that (if one disregards intra-EEC trade) only eleven percent of world bovine meat production is imported or exported. This seems a somewhat low proportion, particularly when compared with other staple foods.

Further, there has been a reversal of the rising trend recorded in the 'seventies in the volume and aggregate value of international trade in beef and veal, which shows a marked decline as compared with earlier periods; and FAO projections are that both - volume and value - will remain for the near future at these somewhat depressed levels.

There are several explanations for this state of affairs, which is causing concern to the exporting third-world countries on account of the diminished capacity for earning foreign exchange and for promoting domestic production that it implies. Again, the efforts of the specialized international agencies to provide support to the developing countries in expanding their livestock industry - through integrated technical assistance programmes, aid to investment in terms of herd upgrading, research and training, and extension services - are proving insufficient to help these countries face up to the fresh wave of protectionism that is having its adverse effects on the international market for livestock and meat. All these elements tend to bring about a further contraction in international trade and, with it, a contraction in the earnings - including their foreign exchange earnings - of all countries operating in this market, especially the developing countries.

Neoprotectionism, itself rendered more acute by the recession and by the reiterated intention of certain countries both to achieve self-sufficiency in food supplies and to assure their farmers a sustained level of income, finds expression in legislative measures. Such measures encompass the public health and hygiene aspects of meat, as well as customs and excise, and emanate from diverse sources of authority and have widely varying features.

It is with these different measures that the present study is concerned, distinguishing between those that are "quantitative" and those that are "qualitative". The pages that follow do not claim to be an exhaustive treatise or a comprehensive manual of current legislation but rather a first approximation to this field of enquiry. The aim is to provide a systematic analysis, in as clear terms as possible, of the subject matter and to offer those interested a rapid overview of the legislative and institutional aspects making up the basic juridical context in which the import and export trade in beef and veal is carried on.

The selection of countries whose legislation is analysed here was determined by the availability of documentation in the Legislation Branch and by the desire to provide examples (together with their respective bibliographical references) covering as wide a range as possible.

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CONTENTS

	<b>Page</b>
<b>PART I: <u>GENERAL ANALYSIS OF LEGISLATION CONTROLLING THE INTERNATIONAL BEEF AND VEAL TRADE</u></b>	
<b>1. THE IMPORTANCE OF LEGISLATION ON THE INTERNATIONAL BEEF AND VEAL TRADE</b>	<b>3</b>
1.1 <u>General introduction</u>	3
1.2 <u>General characteristics of the international beef and veal market</u>	5
1.2.1 The relative importance of tariff barriers	5
1.2.2 The growing importance of non-tariff barriers	6
1.2.3 A market with two distinct “zones”	8
1.2.4 A highly concentrated import market	10
1.2.5 The specific nature of non-tariff barriers in relation to health conditions	11
1.2.6 Other characteristic features	12
1.3 The distinction between qualitative and quantitative Legislation	12
<b>2. LEGISLATIVE TEXTS</b>	<b>13</b>
2.1 <u>General considerations</u>	13
2.2 <u>Qualitative legislation</u>	13
2.2.1 Acts and regulations	13
2.2.2 The procedure of referring to rules established in other contexts	16
2.2.3 The scope and structure of provisions: decentralization and local participation	16
2.2.4 International rulemaking: the EEC Directive	18





2.3	<u>Quantitative legislation: the scope and structure of enactments</u>	18
2.4	<u>The harmonization of laws and removal of barriers to trade: international initiatives</u>	19
2.4.1	FAO/WHO: Codex Alimentarius Commission	19
2.4.1.1	Recommended International Code of Hygienic Practice for Fresh Meat	20
2.4.1.2	Recommended International Code for Ante-Mortem and Post-Mortem Inspection of Slaughter Animals	23
2.4.1.3	Recommended International Code of Hygienic Practice for Processed Meat Products	24
2.4.1.4	Draft International Code of Practice for Ante-Mortem and Post-Mortem Judgement of Slaughter Animals and Meat	25
2.4.1.5	Code of Ethics for International Trade in Food	26
2.4.2	GATT: The Arrangement Regarding Bovine Meat	28
2.4.3	UNCTAD: Resolution 153 (VI) on the Common Fund for Commodities	29

## PART II: COMPARATIVE SURVEY OF THE LEGISLATION OF SELECTED COUNTRIES

1.	INSTITUTIONAL ASPECTS	33
1.1	<u>Enactments analysed - their structure</u>	33
1.2	<u>Ministries and competent bodies</u>	35



2. A STUDY OF NATIONAL LAWS

2.1	<u>Qualitative legislation on imports</u>	37
2.1.1	Scope and general requirements	37
2.1.2	Inspection: where carried out; and other conditions	39
2.1.3	Offences and penalties	41
2.2	<u>Qualitative legislation on exports</u>	44
2.2.1	Scope and general requirements	44
2.2.2	Inspection: premises and other conditions	47
2.2.3	Offences and penalties	47
2.3	<u>Quantitative legislation</u>	50
2.3.1	Quantitative measures affecting imports	52
2.3.2	Quantitative measures affecting exports	58
2.3.3	Other measures and their effects	61

PART III: SURVEY OF LEGISLATION IN SELECTED COUNTRIES

	Australia	69
	France	75
	Kenya	81
	Uruguay	87
	Annex I	95
	Annex II	98
	NOTES	101



**PART I: GENERAL ANALYSIS OF LEGISLATION CONTROLLING THE  
INTERNATIONAL BEEF AND VEAL TRADE**



# 1. THE IMPORTANCE OF LEGISLATION ON THE INTERNATIONAL BEEF AND VEAL TRADE

## 1.1 General introduction

Cattle rearing plays an important role in providing food for the human race. Generally speaking, it is commonly agreed that a normal human diet requires that at least 30 percent of the proteins should be of animal origin. However, the per capita consumption of animal protein varies greatly from country to country and social group to social group. Although the above percentage is all the animal protein needed to feed people, the tendency is for consumption to increase with the rise in the standard of living. Thus, in North America and Oceania, considerably more than this amount is consumed, while in certain overpopulated countries of South East Asia the necessary minimum is not attained.

The industrialized countries are encountering more and more problems of overproduction whilst, on the other hand, the developing countries - with their problems of limited import possibilities - find it hard to feed their peoples. The main trends in animal production over the last three decades indicate that meat production has risen along with population growth 1/, while the increase in milk production, for example, has lagged, especially in Africa and the Far East, and the per capita output is insufficient.

This unbalanced situation can probably be remedied by stepping up international trade in meat and meat products and improving the distribution and marketing systems.

The FAO report Agriculture: Toward 2000 showed that trade in these products is markedly different in some respect from that in most other kinds of merchandise. In most countries agriculture is much more highly protected than the other sectors, and non-tariff barriers feature very prominently as a means of protection 2/.

This same report also recognises that, with reference to international trade, “the function of governments in the regulation of trade in agricultural products is extensive and active. For the most part, restrictions concern imports, but there are also cases of food export control” 3/.

For all these reasons, if one is to have a basic understanding of the things that may make for an expansion in the international meat trade, to study the laws and regulations dealing with the health and economic aspects of that trade. This is the case especially if we focus attention on an analysis of the measures that condition, or even distort, the international market. The most important of these are tariffs, variable levies on imports - which are, indeed, the equivalent of customs duties - quantitative restrictions in the form of the prohibition or limitation of imports, “voluntary” agreements for the restriction of exports 4/, the abuse of public health and hygienic regulations, and subsidies.

However, it is not enough to consider only what is negative in this legislation - i.e. what constitutes an obstacle to international trade - for a study of this situation worldwide shows, rather, that in most developing countries, the meat export trade often suffers from inadequate coordination, from a lack of state support in the form of activities to promote and expand markets, and from insufficient credit and insurance backing for exports. On the other hand, little information is available on markets and, furthermore, the developing countries are inadequately represented, when they are represented at all, in the importing countries 5/.

It should also be added that modern health laws “in harmony” with those of the countries most advanced in this sphere, together with their gradual and effective application, can prove an effective way of enhancing exports.

As regards the importance of international trade in livestock, meat and meat products in relation to production, it should be noted that the proportion of the worldwide meat production entering into international trade has remained relatively low, despite the fact that in absolute terms it increased 6/ by over 50 percent between the early 'seventies and the early



'eighties. In the last few years, it has been only 10 percent for all meat, including trade between Member States of the EEC, and 7 percent if these are excluded. The highest figures 7/ have continued to be for lamb, mutton and goat meat, at 13 percent, and the lowest for pig meat, at 3 percent, for the early eighties. Beef and veal was as low as 11 percent although, undoubtedly, this has made up far and away the greater part of the international meat trade 8/.

During the last few years, the rising trend of the 'seventies has changed. We thus find that a decrease in 1984 as compared with preceding years in the total amount and value 9/ of the international meat trade. There was, at the same time, a decrease in the profits from exports for the developing countries. According to FAO estimates 10/, the overall value and amount of the international meat trade will continue in 1985 at the fairly low level of recent years.

All these factors go to show that the time is ripe for an investigation into the legal and institutional framework of meat imports and exports. However, the heterogeneous nature of the economic, social 11/ and, above all, legal factors that influence trade in beef and veal, pigmeat, lamb and mutton, goat meat and barnyard poultry make it inadvisable - and well-nigh impossible - to treat the meat market as a single entity.

The international trade in beef and veal is undoubtedly the most interesting both because it makes up the greater part 12/ and for other reasons that will be explained later.

## 1.2 General characteristics of the international beef and veal market

### 1.2.1 The relative importance of tariff barriers

Since the second world war, the biggest obstacle to international trade has been the levels of customs duties in importing countries. Levies of this sort are the principal measure taken to protect home industries against imports.

Thanks to measures designed to free trade and, to a great extent, to the multilateral business negotiations concluded within the General Agreement on Tariffs and Trade (GATT), progress has been made in this field and the tariffs encumbering meat products 13/ have been reduced. However, a clear trend is discernible toward counteracting these results by the imposition of other, non-tariff barriers to trade that are characteristic of neoprotectionist policies. The result has been that, instead of decreasing, restrictive measures have increased.

It is estimated, for example, that 25 percent of the agricultural imports into the major industrialized countries were allowed tariff concessions as a result of the Tokyo Round, and that customs duties were reduced by an average of 40 percent. Many countries made tariff reductions on beef and veal and their products. Canada and the United States lowered their tariffs on fresh, chilled and frozen beef and veal by about 33 percent. In Switzerland, levies on frozen beef and veal 14/ were lowered from 40 to 9 fr per 100 kg - a reduction of 77.5 percent, in other words.

These are just a few examples to illustrate the decreasing importance of tariff barriers to trade. Nevertheless, tariffs continue to be in general use and tend to increase in proportion to the amount of processing that the meat has undergone. Thus, most importing countries insist on customs duties that affect beef and veal more than livestock, and processed products - such as corned beef - more than unprocessed meat. Tariff structures of this sort which apply levies ad valorem according to the amount of processing are a serious hindrance to those exporters that have achieved a satisfactory degree of industrialization in a sector in which medium amounts of capital are invested, where technology is at an intermediate stage and where there are comparative natural advantages 15/.

### 1.2.2 The growing importance of non-tariff barriers

Protectionism - especially in developed countries with market economies - is nevertheless aggravated by the proliferation of non-tariff barriers to trade.

Thus, for example, the EEC, having abolished most of its tariffs and other barriers to the import of beef and veal at the beginning of the 'seventies, had to prohibit almost all such imports in 1974/75 when the situation suddenly changed from a seller's to a buyer's market. This sharp reversal was due to a pronounced decline in demand following an economic recession coinciding with an attempt to offset cyclical trends in the most important beef and veal trading countries 16/. Although by the end of the seventies these restrictions on imports were partially removed, the EEC was able in this way to export considerable quantities of beef and veal over the greater part of the previous ten years and, by 1984, had become the largest gross exporter of this meat in the world 17/.

Another example can be found in Japan, where, while the policy on imports of barnyard poultry, lamb and mutton and the less important kinds of meat was very liberal, variable charges were imposed on beef, veal and pigmeat, and the amount of beef and veal imported was subjected to restrictions. In the last few years the quotas for beef and veal have been increased in accordance with the rise in consumption and imports already represent 25 percent of the consumption figures for this meat.

Turning to the United States, one may note that the Meat Importation Act, in force since 1965, was amended in 1980 to include a formula designed to offset cyclical trends. The Act covers fresh, chilled and frozen meat of cows, calves, lambs and sheep as well as some of the beef and veal products. Importation into the United States of other kinds of meat and slaughter animals has been subject to fairly low tariffs and to relatively few, mainly hygiene, technical regulations. Although meat market prices have not been subsidized, a fall in demand has led to a decrease in net imports into this country. At the beginning of the eighties, Canada even became a net meat exporter; it imposed quotas on beef and veal imports in the mid-seventies and in 1982 it, too, introduced legislation designed to offset cyclical trends in the beef and veal market. Subsidies to keep down home market prices and plans to control demand have been supplemented by quotas on imports of barnyard poultry and restrictions on the amount of beef and veal to be imported.

In the southern hemisphere Australia, the greatest net meat exporter in the world since the 'seventies, has continued to operate her meat industry as a basically free-trade enterprise. In New Zealand, however, the traditional policy of a levelling off of beef and veal market prices needed, between 1978/79 and 1983/84, the support of Government guarantees to producers as to minimum prices. Beginning in 1981/82, when, despite a reduction on the international market, minimum prices increased considerably, the Government was obliged to pay heavily in compensation. Although supplementary minimum prices were abolished in 1984/85, Government support continued in the form of direct payments to the New Zealand Meat Exporters Council.

Reference will be made in greater detail to all these non-tariff barriers to trade in the second part of this study (section 2.3.1), these few examples sufficing for the present 18/.

However, even at this point it is important to note the long-standing tradition of protectionism in the agricultural and animal husbandry sectors of the majority of the continental European countries. As far as the protection of meat market prices is concerned, the motives leading to the adoption of discriminatory policies have been many and range from a desire to attain a certain level of national self-sufficiency and guarantee the stability of home markets to considerations regarding the balance of payments and employment. Their objectives include, in particular, that of allowing farmers to have their share in the general rise in incomes.

### 1.2.3 A market with two distinct "zones"

The international beef and veal market can be considered as being divided into two zones which have only a minimum of contact between them; 1) a zone of zero health risk, within which buyer countries will not accept imports of meat originating from countries or regions in which livestock is affected by foot-and-mouth disease; and 2) a zone of accepted health risk, within which importers admit the entry of meat originating from countries affected by this disease 19/.

This does not mean that countries acting as exporters or importers within one zone or another form closed nuclei with no links between them. The access of fresh, chilled or frozen meat from exporters in the accepted health risk zone into countries in the other zone is prohibited because of enzootic foot-and-mouth disease, but the ban does not extend to cooked, frozen and canned meats such as corned beef.

Such a division of the market is, in any case, prejudicial to exports from developing countries. The situation is further aggravated because some of the industrialized countries, finding their surpluses increased, think fit to reduce them by exporting into the already-restricted market within which the developing countries are forced to operate.

It may be added that on very few occasions has the dichotomy between the international beef and veal markets free from and affected by foot-and-mouth disease been so much in evidence as it was in 1984 (and will probably continue to be in 1985) 20/. Indeed, in 1984, the aggregate import demand in the markets not free from foot-and-mouth disease again fell sharply, while the aggregate import demand in the markets free from the disease declined to a lesser extent. The price of Australian beef (90 percent CL) exported to the United States averaged 2,238 US dollars a ton during the first six months of 1984, as compared with 2,346 dollars a year earlier and 2,375 in 1981. At the same time, according to unofficial information about Egyptian Government auctions held during the first six months of 1984, deboned beef forequarters sold at between 1,060 and 1,280 US dollars per ton c.i.f. as compared with prices from 1,480 to 1,510 in 1983 and above 1,600 dollars in 1981. According to the results of auctions of deboned compensated quarters held in 1984, prices ranged from 1,095 to 1,380 US dollars per ton c.i.f. This compares with prices above 1,900 dollars per ton c.i.f. in 1982.

#### 1.2.4 A highly concentrated import market

Demand for imports is restricted to a very small number of markets: the United States, Japan, Canada, Soviet Russia and (save for the recent trend changes already referred to cf. 1.2.2. above) the European Economic Community.

One way to break this vicious circle would be to encourage trade between developing countries. As far as the beef and veal markets are concerned (and this applies also to trade in lamb and mutton and goat meat) there are excellent prospects for doing so. An increase in the flow of exports and imports would bring considerable benefits in balances of payments and rural incomes in many developing countries, including some of the least developed for which there is need of even closer attention within the framework of agricultural and food activities as being organized by Economic Cooperation between Developing Countries 21/.

Considering that, in the majority of meat importing countries, customs duties are relatively low, bilateral regional and overall negotiations on preferential trade in livestock and meat should be concentrated on non-tariff barriers to trade and other measures such as:

- (i) increased resort to long-term buying contracts and bilateral agreements;
- (ii) more direct contacts between state marketing agencies in importing and exporting countries; and
- (iii) simplification of some of the technical regulations on imports, especially those referring to animal health and shipments, and also of the procedures for presentation of offers and the certifying of invoices 22/.

Also, since preferential trade agreements amount to an increase in trade between developing countries, they need to be supplemented by other measures of cooperation (such as the promotion of state and private enterprises 23/ production and marketing) aimed at increased livestock productivity in the meat exporting countries and the improvement of their commercial infrastructures.

As far as legislation is concerned, it might be very useful to arrange for short, practical regional courses to be held, with the help of international organizations and in collaboration with regional or subregional groupings, with the aim of assessing the possibilities for increasing trade, discovering what obstacles are likely to be encountered and, where appropriate, making recommendations for the adoption of supplementary measures 24/.

#### 1.2.5 The specific nature of non-tariff barriers in relation to health conditions

Reference has already been made, in sections 1.2.2 and 1.2.3, to the increasing obstacles created by non-tariff barriers and the de facto division of the market into two zones according to the different health risks considered. Both references will remain incomplete, however, 25/ unless specific reference also is made to the subject of non-tariff barriers associated with health conditions imposed. Here one touches on a matter at the heart of this survey, to which chapters 2.1 and 2.2 of Part II will be devoted.

The “legitimacy” for such measures is based on article XX of GATT, which allows countries to restrict imports of products from other countries when such restrictions are “necessary to protect animal or plant life or health”.

There can, of course, be no objection to this provision; yet it would be a serious omission not to recall that the meat exporting countries have frequently criticised the inadequacy of consultations and communication between Governments concerning the restrictive effects of such measures, the changes that these undergo, and also the differences in meat inspection systems in various importing countries and the way in which they interpret and apply the rules.

### 1.2.6 Other characteristic features

Nor do the foregoing sections exhaust all the factors that characterize - and often distort - the market. Also to be taken into consideration is the fact that demand for meat is very income-elastic and, again, that the consumers have a definite preference for the meat of freshly-slaughtered animals. The geographical distance from the consumer market, a reluctance to accept frozen products and the influence of a wide variety of ethnic and cultural factors also need to be taken into consideration.

### 1.3 The distinction between qualitative and quantitative legislation

In order to facilitate the study of legislation regarding international trade in beef and veal, as regards both imports and exports, it will be useful to make a distinction between measures that concern the control of hygiene and health, which may be termed qualitative legislation and those dealing with tariffs and other levies, variable or otherwise, import and export quotas, or, in general, with measures to promote or intervene in production, which are included in what may be broadly defined as quantitative legislation.

The reason for making this distinction is to simplify the structure of this study; it implies no value judgement. Thus, qualitative legislation refers particularly to regulations governing the installation and running of slaughterhouses, their authorization, staff and equipment, the hygienic conditions under which they function, pest control, the hygiene and health of the personnel, inspection and marking of meat, its storage and transportation, the destination of meat unfit for human consumption and the veterinary supervision and control of imports and exports and other related matters.

Under the term quantitative legislation will be grouped all regulations that have a “quantitative” effect 26/ on, and concern the redundancy of, imports and exports. An incomplete list of these would include: tariffs, quotas or restrictions on imports, licences, state trading, variable charges and subsidies to producers and exporters 27/.



## 2. LEGISLATIVE TEXTS

### 2.1 General considerations

As already suggested, in 1.3, the range of legislation covered by this study is so extensive, complex and, in a sense, heterogeneous that it is difficult to refer collectively to regulations governing, for example, the control of animal health or to tariffs and similar measures. The first are included under the heading of food law <sup>28/</sup> in its wider sense, while the second refer basically to tax law, to general economic policy, and to policy on prices and export promotion and encouragement measures, etc. Accordingly, a separate analysis will be made of the legal rules on hygiene and health (qualitative legislation) and those that refer to tariffs and non-tariff barriers to trade (quantitative legislation).

### 2.2 Qualitative legislation

#### 2.2.1 Acts and regulations

The establishment of legal rules governing hygiene and health for the import (and export) of meat and meat products necessitates constant reference to certain technical elements. The main function of the legislator, or other competent authority often is, in fact, to give binding force to technical rules, lists of health requirements, etc., which have been worked out by experts in the subject.

The fact that qualitative rules governing these matters are of a technical nature and frequently interdisciplinary explains why, when they are promulgated, the system generally adopted is that where the basic law is enacted by the Legislative while enabling powers are vested in a minister or similar executive authority to promulgate subsidiary legislation in the form of regulations. In a modern state, it cannot reasonably be expected that the Legislative should enact each and every one of the very large number of rules that are now required for the due organization of the community.

For its part, the Executive, in order to perform the numerous and ever more complex functions that are entrusted to it, finds that it is obliged to lay down legal rules supplementary to those of the Legislative. The Executive has a technical competence and flexibility of action that no legislative chamber can be expected to possess. Such chambers are generally composed of large numbers of individuals and this means that the amount of legislation that can be produced is never very large because it is usually the result of complicated proceedings and the holding of sessions, debates, the need to vote, etc.

In practice the Legislative will enact statements of principles. Its mission is to establish guidelines and basic principles for the organization of the whole community. The task of the Executive is to apply and render effective these guidelines.

These considerations lend support to a fundamental distinction, namely that obtaining between “laws” in the strict sense of the term - which are the legal rules enacted by the Legislative - and what are usually referred to as “regulations”. These last are laid down by the Executive, i.e. by the administrative arm of the State of which the Government is the central and most important part 29/.

In a modern State, the Administration is there to serve general interests, always under strict control by the Legislative. Whilst maintaining this subordinate role, it is logical that the Administration should have certain rule-making powers, i.e. possess powers to make regulations.

It should come as no surprise, therefore, that in a modern State, government regulations should play a role of exceptional importance within the legal system taken in its entirety. There are so many of them and they go into such minute detail that there is a regulation or a number of regulations for practically every sector of human activity. Generally speaking, the broad outline of the Law of a country is embodied in the enactments of the Legislative. How these are developed and worked out in detail is, on the other hand, left to regulations issued by the Administration.

In the field of health checks on the production and marketing of meat and meat products, the following pattern is frequently adhered to, precisely because it is of an eminently technical nature:

- The Act, which establishes general principles, scope, structure and basic concepts, the delegation of the power to make regulations and, generally, rules to cover offences and the penalties for these;
- regulations, laid down by the appropriate delegated authority, which may be either general or specific. Regulations may rely on cross-reference to quite other rules of a technical nature, according to a procedure that will be discussed below 30/;
- orders or resolutions for the application of the above regulations or related provisions.

In the field of food law, the technical and interdisciplinary nature of which has already been referred to, this pattern is frequently adopted precisely because any legislation on health and hygiene matters has to be flexible enough 31/ to cover requirements dictated by the rapid development of technology for the control, analysis and inspection of food. Experience has shown that, in order to have an effective, practical and flexible administration, the law should establish general principles, allowing as need arises for the of bringing into force of regulations adaptable enough to deal with the changes that so frequently occur 32/. Accordingly the inclusion, in the basic enactment, of rules governing food and hygiene, lists of additives, etc., should be discouraged for the following reasons:

- (i) the law would become cumbersome, impracticable and difficult to adapt;
- (ii) too-extensive laws are not easily understood by the people for whom they are made, including those who have to apply them and the everyday consumer;

- (iii) it is much more difficult to amend an act of parliament than to revise a regulation, especially where technical matters, which may frequently vary, are involved in rules controlling food and additives,

### 2.2.2 The procedure of referring to rules established in other contexts

Attention should be drawn, in particular, to the reference-to-standards procedure, as was mentioned earlier when regulations were discussed. Broadly speaking, this consists in the citation, within a given set of regulations, of a provision contained in some other set of rules outside the context under discussion, whether international or national, or issued by a private agency (a cooperative perhaps). This is done usually to avoid having to include in the regulations in question excessively technical or too detailed provisions, variable factors, etc. 33/.

The above described legislative device, of referring to rules/standards prescribed in other enactments, codes of practice, etc., is often resorted to in the field of legislation studied here, which is both international and has its share of technical material. It is generally used in order to refer to rules for methods of analysis, additives, measures governing hygiene, etc. 34/.

Reference to international rules, especially those of the Codex Alimentarius Commission, also tends towards indirect harmonization of national regulations on a given subject 35/.

### 2.2.3 The scope and structure of provisions: decentralization and local participation

As far as qualitative legislation is concerned, it is only logical that the majority of the provisions considered in Part II of this study should result from the exercise of enabling powers, and not from an enactment emanating from the legislative authority. There is hardly a country that does not have one or more basic enactment that has subsequently been given enforcement provisions in subsidiary legislation. One sees this applied in Australia, Canada, France, Italy and Kenya, and other countries besides, as will be taken up in greater detail in section 1.1 of Part II of this survey.

For the moment only one example need be examined in detail, namely, the Argentinian Federal Meat Act, No. 22.377, dated 5 January 1981, which can serve as a pattern for the process of decentralization and local participation. This lays down the process for approval and functioning of establishments in which animals are slaughtered and products of animal origin are processed or stored (specifically repealing Acts 18.811 and 19.499) and, empowers the Executive to regulate at the national level how these activities shall be conducted 36/.

The Act constitutes the National Animal Health Service as the national authority for enforcement, concurrently with the local authorities in the same field for each province, reserving to itself, however, superior powers of decision and control. This is based on the principle that animal health needs to be controlled by overall methods and techniques of treatment in keeping with scientific and technological progress. The Service is vested with powers to see that the regulations are complied with throughout the national territory, by giving assistance to local authorities, establishing systems of health control, supervising their implementation and seeing to it that the penalties provided for in Article 4 of the Act are enforced. To do this it is authorized to order the preventative closure of establishments and to call in the police for this purpose 37/.

From all this, it is clear that the ample faculties conferred 38/ by the Federal Meat Act on the national authority for its application and on the National Government (which remains empowered to issue regulations for the whole territory of the Republic for the approval and functioning of establishments in which animals are slaughtered or meat products are processed or stored) are designed expressly to ensure that there shall be a uniform and common system controlling the sector, attentive to all public health, trade, industrial and export interests concerned 39/.

#### 2.2.4 International rulemaking: the EEC Directive

In the international field, special attention should be drawn to the system adopted by the EEC for the meat sector 40/, namely, the Council Directive, which is a legislative enactment made by the Community establishing the obligation on those to whom it is addressed to abide by certain set objectives, whilst choice of the ways and means of achieving them within a given time limit is left to the discretion of each Member State 41/.

#### 2.3 Quantitative legislation: the scope and structure of enactments

The measures adopted for quantitative legislation are so varied and governed by specific circumstances that the formula of the act of the legislative worked out in subsidiary lawmaking under enabling powers vested in a minister - discussed in some detail in sections 2.2.1, 2.2.2 and 2.2.3 - can equally well be applied.

Apart from tariffs and measures dealing with trade policy - which are usually general in nature and national in scope - there are others that originate from provisions of a more specific kind. Among the many laws here studied dealing with such matters the following are outstanding for their comprehensive treatment of the subject: the Australian Meat and Live-stock Corporation Act, No. 67 of 1977 42/, the Kenya Meat Commission Act 43/, and Act No. 15.065 creating the National Meat Institute in Uruguay and establishing its field of action 44/. All these are Agencies that, within the limitations of their powers, are set up to promote production or encourage and control the trade and animal husbandry or meat production industry geared to satisfying home demand and developing exports.

Following a similar approach to that described in the discussion on qualitative legislation, here, too, reference will be made to the international field and, in particular, to rulemaking by the EEC. The Community Regulation is an act of a legislator, which is of general application, is obligatory in all respects and directly binding upon each Member State without the need for ratification by any national authority for in its municipal legislation 45/.

To summarize as far quantitative legislation is concerned, it is much more difficult in this part of the present study, to give a systematic description of the scope and structure of the provisions analysed since they are the result of a congeries of regulations, resolutions and special decisions which, in their turn, generally come under the tax or tariff laws or other general provisions of the economic policy of each country.

## 2.4 The harmonization of laws and removal of barriers to trade: international initiatives

As concerns both qualitative and quantitative legislation, it is necessary to refer to a number of international initiatives designed for the harmonization and the gradual elimination of tariff and non-tariff barriers restricting imports and exports of meat and meat products, and to procedures whereby decisions are made as to measures for the promotion of these commodities, and for improving market conditions and competitiveness.

### 2.4.1 FAO/WHO: the Codex Alimentarius Commission

The Codex Alimentarius Commission was established following recommendations of the Eleventh Session of the FAO Conference 46/, the Twenty-Ninth Session of the WHO Executive Board 47/ and a Joint FAO/WHO Conference on Food Standards held in 1962. The specific purpose of the Programme is to protect the health of consumers and ensure fair practices in the food trade, by promoting coordination of all food standards work undertaken by international governmental and non-governmental organizations.

It would take up undue space to describe here to the considerable amount of work already achieved by the Codex Commission in fields as distinct as food standards, pesticide residues, food additives, etc. The scope of the present study imposes concentration mainly on the different Codes of Practice that have been established in the field of qualitative legislation on meat and meat products. Despite the fact that they are of a merely “consultative” nature - recommended rules or “soft law” (to use terminology in vogue in North America 48/ - these codes are an extremely useful point of common reference.

There is little difficulty in finding, in most of the national provisions under analysis, analogies with the international rules on hygiene and health for fresh meat; which is sufficient to demonstrate their “implied binding force” 49/, and the considerable influence that they have on voluntary harmonization of the relevant legislation 50/.

#### 2.4.1.1 Recommended International Code of Hygienic Practice for Fresh Meat 51/.

This Code was adopted by the Codex Alimentarius Commission at its Eleventh Session, held in March and April 1976 and applies to “fresh meat intended for human consumption, whether by direct sale or through further processing” 52/. It contains minimum hygiene standards for meat production from the slaughter of the animals to their transport, and its purpose is to ensure a supply of meat under hygienic and sanitary conditions.

Definitions are given of 53/: potable water, slaughter animal, fit for human consumption, controlling authority, carcass, meat, fresh meat, contamination, disinfection, edible offal, manager, establishment, dressing, inspector, cleaning, brand, abattoir, and protective clothing.

The Code also deals with requirements for slaughter animals 54/ and their transport 55/ (construction and maintenance of conveyances) as well as with the requirements for the construction, layout and operating of abattoirs and establishments in which fresh meat is prepared, handled, packaged or stored 56/.

Among the “Operating Practices and Production Requirements - Principles to be observed during slaughtering, dressing and preparation of meat”, the following, are to be found the following 57/:

- (i) Every slaughter animal must undergo ante - and post-mortem inspection;
- (ii) No animal should be slaughtered or dressed in any abattoir or establishment except when an inspector is present;



- (iii) All animals brought into rooms for slaughtering should be slaughtered without delay;
- (iv) The bleeding should be as complete as possible 58/;
- (iv) tunning, sticking and bleeding of any animals should not be allowed to proceed at a rate faster than that with which the carcasses can be promptly accepted for dressing;
- (vi) The sticking, bleeding and dressing should be carried out with care so as to ensure the production of a clean carcase, head and edible offals. None of the parts should come into contact with the floor and all contamination should be avoided;
- (vii) Carcasses should be separated from each other to avoid contact and contamination once the removal of the hide, skin or pelt has commenced;
- (viii) Separation of carcasses, heads and viscera should be maintained until they have been examined and passed by the inspector. Carcasses should come in contact only with surfaces or equipment

essential to handling, dressing and inspection.

The Code goes on to deal with branding of meat passed for human consumption 59/; its storage 60/, packaging and packaging material 61/ and precautions to be taken with meat unsuitable for human consumption 62/.

Article 41 of the Code deals with transportation and establishes that:

- (a) Meat should not be carried in any means of transport which is used for conveying live animals;
- (b) Meat should not be carried in the same means of transport as other goods in a way which may adversely affect the meat;

- (c) Stomachs should only be transported when thoroughly cleaned or scalded;
- (d) Meat should not be placed in any means of transport which has not been cleaned before loading and if necessary also disinfected;
- (e) Carcasses, sides and quarters, other than those which are adequately wrapped and frozen, should be hung during transport or placed in a suitable manner on racks or similar equipment;
- (f) Means of transport or containers should comply with the following conditions:
  - (i) All internal finishes should be made of corrosion-resistant material, be smooth, impervious and easy to clean and disinfect. Joints and doors should be sealed so as to prevent the entry of pests and other sources of contamination;
  - (ii) The design and equipment should be such that the required temperature can be maintained throughout the whole period of transport;
  - (iii) Vehicles intended for the transport of meat should be equipped in such a manner that the meat does not come into contact with the floor;
  - (iv) Suitable closed containers should be used for the transport of unwrapped edible offal. Offal should be transported under refrigeration unless the period of transport is less than two hours when an insulated container may be used;
- (g) Every effort should be made to prevent changes in temperature of frozen meat at any time during storage and transport but where accidental thawing takes place the meat should be examined and evaluated by the inspector before any further step is taken.

Finally, “All aspects covered by this Code should be supervised by an official veterinarian. In particular, care should be taken that for every abattoir or establishment at least one official veterinarian is appointed for the supervision of hygiene including meat inspection 63/.”

It is desirable that each abattoir or establishment in its own interest designates a single individual, whose duties are preferable divorced from production, to be held responsible for the cleanliness of the abattoir or establishment. His staff should be a permanent part of the organization or employed by the organization and should be well trained in the use of special cleaning tools, methods of dismantling equipment for cleaning and in the significance of contamination and the hazards involved, A permanent cleaning and disinfection schedule should be drawn up to ensure that all parts of the abattoir or establishment are cleaned appropriately and that critical areas, equipment and material are designated for cleaning and/or disinfection daily or more frequently if required” 64/.

#### 2.4.1.2 Recomended International Code for Ante-Mortem and Post-Mortem Inspection of Slaughter Animals

This Code, too, was adopted by the Comission in 1976 and establishes, among other things, that every slaughter animal should:

- (i) be appropriately identified or accompanied by an appropriate document which would ensure that the place from which the animal has come can be traced;
- (ii) undergo ante- and post-mortem inspection unless delay in carrying out ante-mortem inspection would cause undue suffering to animals requiring emergency slaughter 65/.

The purpose of ante-mortem inspection is:

- (a) to select animals which are adequately rested and which will provide meat which is fit for human consumption;

- (b) to select for isolation and detailed clinical examination, diseased, suspected diseased or suspected abnormal animals;
- (c) to prevent contamination of the dressing areas by animals in an excessively dirty condition;
- (d) to prevent contamination of premises, equipment and personnel by animals suffering from a disease which is communicable;
- (e) to obtain information which may be necessary for the post-mortem inspection, diagnosis, and judgement of carcase and offals.

The purpose of post-mortem inspection is to ensure the detection of abnormalities and pass for human food only meat which is fit for human consumption.

#### 2.4.1.3 Recomended International Code of Hygenic Practice for Processed Meat Products 66/.

This is the Code to be applied for processed meat products. It contains the minimum requirements of hygiene in the production, handling, packing, stering and transportation of processed meat products.

Accordingly it is laid down that: “All meat used in the manufacture of meat products should have been produced in compliance with the provisions of the Code of Hygienic practice for Fresh Meat and should have been subjected to the inspection processes prescribed therein and in the Code for Ante-Mortem and Post-Mortem Inspection of Slaughter Animals. It should have been passed by an inspector as fit for human consumption” 67/.

All establishments 68/ should be approved and registered by the controlling authority 69/ and, as for packaging of the finished product 70/: “Meat products should be packaged in a manner which will protect them from contamination and deterioration under normal conditions of handling, transportation and storage. The packing material should be non-toxic and should not leave harmful deposits of any kind on the product or otherwise contaminate it. Packaging should be done under conditions that preclude the contamination of the product”.

The requirements for the finished product 71/ state: “Appropriate methods should be used for sampling and analysis or determination to meet the following specifications:

- (a) The products should be free from foreign matter to the extent possible in good manufacturing practice, as well as be free from toxic substances in a concentration believed to constitute a public health hazard.
- (b) The products should not contain pathogenic micro-organisms that would constitute a public health hazard and should not contain any toxic substances produced by micro-organisms in a concentration believed to constitute a public health hazard.
- (c) The products should comply with the requirements for pesticide residues and food additives laid down by the Codex Alimentarius Commission.

2.4.1.4 Draft International Code of Practice for Ante-Mortem and Post-Mortem Judgement of Slaughter Animals and Meat 72/

This contains the principles and objectives governing decisions to be made in judging slaughter animals and meat. It is intended to provide general guidelines for the protection of human health, and to impose those special restrictions required under pertinent national legislation which are necessary for the prevention and control of contagious animal diseases, while at the same time allowing the authorities to meet prevailing socio-economic conditions. Based on ante-mortem and post-mortem inspection, slaughter animals and meat are assigned to one of the six categories that determine their use or disposal. These should not be regarded as rigidly defined, but are intended to be used with some flexibility to comply with diverse conditions and different legal systems, provided effective official control

and enforcement measures are applied to ensure the implementation of the relevant provisions in substance. The system is so designed as to allow meat of varying hygienic and nutritional quality to be used in the most appropriate way to meet the different needs in various parts of the world, without detriment to human or animal health.

For the purposes of this survey it is of interest to notice that paragraph 37 of this Draft Code 73/ states: “While legislation cannot serve as a substitute for professional practice, it is important that the legislation governing judgement shall be precise enough to ensure a consistent standard of judgement in different slaughterhouses of the same country. It is also important for the independent exercise of meat inspection that the inspector is fully supported by legislation”.

#### 2.4.1.5 Code of Ethics for international Trade in Food 74/

This Code was adopted by the FAO/WHO Codex Alimentarius Commission at its thirteenth session to embody “the principles of sound consumer protection, supplement and complement the establishment and strengthening of national food legislation and food control infrastructures and, at the same time, provide an internationally agreed norm and framework for the realization of practical and effective international cooperation” 75/.

“The implementation of this code rests with:

- (a) governments of all countries, who should provide adequate food legislation and food control infrastructures, including certification and inspection systems and other legal or administrative procedures that also apply to re-exports of food as appropriate and necessary, and
- (b) more especially governments of exporting countries who should:
  - (i) employ as appropriate and practicable, legal or administrative controls aimed at preventing the exportation of shipments of food which does not comply with the provisions of Articles 6.1 or 6.2;

- (ii) promptly notify the importing country of the exportation of shipments of food found not to comply with 6.1 when legal or administrative means of preventing exportation were not available or were unsuccessfully applied or where non-compliance was determined after exportation;
- (iii) make available to the importing country upon request appropriate certification, inspection or other procedures as appropriate with the manner of compensation for these services to be agreed upon between governments” 76/.

“The Code should be promoted by governments in their respective territorial jurisdictions in accordance with their legal and administrative procedures regulating the conduct of exporters and importers, and further, will depend on:

- such cooperation and consultative procedures as may be established between governments of importing and exporting countries, and, generally, between all those concerned with international trade, and
- the extent to which international food standards, codes of practice and similar other recommendations, elaborated by the Codex Alimentarius Commission are considered and accepted where relevant and appropriate”.

Article 6.1 (IMPLEMENTATION) of the Code states that: “Food that is exported should conform:

- (a) to such food legislation, regulations, standards, codes of practice and other legal and administrative procedures as may be in force in the importing country 77; or
- (b) to the provisions contained in bilateral or multilateral agreements signed by the exporting country and the importing country; or

- (c) in the absence of such standards and requirements as may be agreed upon, with emphasis on the use of Codex Standards wherever possible” 78/.

#### 2.4.2 GATT: The Arrangement Regarding Bovine Meat

As part of the General Agreement on Tariffs and Trade (GATT) and as a result of the Multilateral Trade Negotiations an Arrangement Regarding Bovine Meat was concluded 79/ providing for the institution of an International Meat Council to replace the Intergovernmental Group on Meat. The Arrangement brings together both importing and exporting countries and is of a basically consultative nature. There are no financial clauses controlling trade or prices. It aims at exchange of information and the monitoring of the market by the International Meat Council (IMC), which is expected, in the normal way, to meet twice each year 80/.

The Arrangement Regarding Bovine Meat came into force on 1 January 1980. Its objectives include promoting the expansion, ever greater liberalization and stability of the international meat and livestock market by facilitating the progressive dismantling of obstacles and restrictions to world trade to the benefit of both consumer and producer, importer and exporter. It also aims to encourage greater international cooperation in all aspects affecting the trade in bovine meat and live animals.

Up to the time of writing 81/, some 26 countries have signed the Arrangement: Argentina, Australia, Austria, Belize, Brazil, Bulgaria, Canada, Colombia, the European Economic Community, Egypt, Finland, Guatemala, Hungary, Japan, Norway, New Zealand, Paraguay, Poland, Romania, South Africa, Sweden, Switzerland, Tunis, the United States of America, Uruguay and Yugoslavia, Representatives of other countries and International Governmental Organizations attend as observers meetings concerned with the application of the Arrangement.

One of the tasks of the International Meat Council, established as described, is to evaluate the world supply and demand situation and outlook



for the livestock and bovine meat market in the light of the information assembled by its secretariat 82/.

The IMC may also examine trade problems and consider possible solutions consistent with the principles and rules of GATT.

In June 1984, at the request of Argentina, the IMC set up a Special Working Group to analyse aspects of the situation of the bovine meat market, evaluate the consequences of factors such as export subsidies and all the other aids to exportation, and make proposals as to feasible corrective measures 83/.

Among the different activities of GATT we may quote the activities of the Trade Committee in the agricultural sector and the Arrangement Regarding Technical Obstacles to Trade (also known as the Standardization Code) which was another of the Multinational Agreements, or Codes, to result from multinational trade negotiations at the Tokyo Round. Its objective is to monitor the adoption by governments and other bodies of technical rules or regulations under the aspects of security, health, and consumer and environmental protection or for other reasons, and to see that unnecessary obstacles to trade are not created. Measures are also stipulated with the aim of affording assistance to the developing countries in applying the technical rules or regulations 84/.

#### 2.4.3 UNCTAD: Resolution 153 (VI) on the Common Fund for Commodities

On the subject of quantitative measures, reference must also be made to the preparatory meetings on different commodities 85/ under the Integrated Programme for Commodities of the United Nations Conference on Trade and Development (UNCTAD). At these meetings commodity development measures were considered which aimed at improving structural conditions in markets and at enhancing the long-term competitiveness and prospects of particular commodities 86/.

The Second Preparatory Meeting on Meat in May 1980 recognized the need for greater efforts and appropriate further action at both national and

international levels in the fields of research and development, market promotion and other developmental measures. The meeting requested interested governments to provide the UNCTAD secretariat with proposals for projects which they regarded as being of high priority. The proposals later developed into complete projects ready for presentation to the appropriate financing organizations, including the Second Account 87/ of the Common Fund for Commodities, as provided for in UNCTAD Resolution 153 (VI) 88/, approved at its Sixth Session (June-July 1983) 89/.

At the time of writing 90/, however, the requirements for the coming into force of the Constitutive Agreement on this Common Fund have yet to be complied with. To date 91/, some 83 countries had ratified the Agreement, representing 50 percent of the capital furnished directly. Thus the requirement that it should be ratified by 90 countries, which would amount to at least two thirds of the capital, has not been complied with.

**PART II: COMPARATIVE SURVEY OF  
THE LEGISLATION OF SELECTED COUNTRIES**



## 1. INSTITUTIONAL ASPECTS

### 1.1 Enactments analysed. Their structure

This survey of enactments governing the international beef and veal trade is based on material available to the Legislation Branch of FAO dealing with legislation in the Argentine Republic, Australia, Canada, France, Italy, Kenya, the Democratic Republic of Madagascar, Malaysia, New Zealand, the Republic of Niger, Switzerland, the United Kingdom, the United States of America and Yugoslavia and also the European Economic Community and the West African Economic Community. Reference is also made - especially in the sections dealing with quantitative legislation - to measures adopted by Austria, Botswana, Greece, Hungary, Iceland, Iran, Iraq, Israel, Japan, Poland, Portugal, Romania, Spain, Swaziland, Tanzania, and Zimbabwe, care being taken in each case to cite in a note the source of the information.

Attention is drawn to the fact that, although priority has been given to legislation in force, considering the informative nature of the survey and the limited amount of material available in the archives of this Legislation Branch, the possibility has not been excluded of quoting certain legal measures that are not yet complete or not fully implemented.

As far as quantitative legislation is concerned, the structure of the legal system obtaining in the respective countries may vary between those with basic laws governing the public health aspect of food products in general (including meat and, in some cases, also taking into consideration measures designed to deal with both imports and exports) and those that have more specialized provisions (referring either to all kinds of meat or to just one of those most frequently traded: beef and veal, pigmeat, etc.) including, in some cases, measures referring specifically to imports or exports, inspection in general or inspection that of imports and exports, etc.

In most of the countries whose legislation is studied there is a fairly complex structure. This is only normal since (as is shown by the fact that laws and regulations on the subject exist) these are countries that have taken steps to control not only their home meat markets (in beef and veal and, in some cases, other kinds of meat) but also the hygiene and public health aspects of their imports and exports. All this proceeded as the need for control arose and new economic and trade factors, etc., emerged.

It is only logical that exporting countries should have legislation on exports that is extensive and complex, and sets out to be exhaustive. Countries that began as importers, on the other hand, have issued stricter regulations on imports and have the most rigid rules concerning these.

Some authors have questioned the “legitimacy” of this difference between the strictness of the requirements for imports of those and for exports. On this matter, the FAO Intergovernmental Group on Meat came out in favour of Governments applying “their regulations on the health and hygiene of meat and its provenance wherever this may be in a uniform and coherent manner” 92/.

Nevertheless, although, in theory, the objective aspects of inspection should - in order to avoid protectionist discrimination - call for a single set of requirements, it may in practice be advisable to make a distinction allowing for the different formal conditions characterizing requirements in respect of imports and in respect of exports.

Coming, next, to quantitative legislation, it is impossible to make even such a simple generalization as that just made for qualitative legislation. Quantitative measures are so heterogeneous, and involve so many laws, regulations and other provisions or precise decisions of minor importance, which are in most cases adopted temporarily or to meet specific circumstances, that any attempt at systematic presentation will be largely unavailing.

## 1.2 Ministries and other competent bodies

For most of the quantitative measures in the legislation analysed here the competent authority is the Minister in charge of agriculture in general and animal husbandary in particular, although provision is usually made for the cooperation of - or attribution of specific tasks to - other Ministries, especially those for Health and Foreign Trade.

It is usual for the competent Ministry to carry out the duties of inspection through a specialized service or agency 93/. In Canada, for example, there is a Food Production and Inspection Branch reporting to the Ministry of Agriculture. In New Zealand the Meat Act of 1981 lays down the respective duties of the Director of the Meat Division of the Ministry of Agriculture and Fisheries 94/ and of the Director-General of Agriculture and Fisheries 95/. The former is under the supervision of the latter, and Article 30 of this Act also provides for those special cases where local authorities are empowered to establish export slaughterhouses.

In Switzerland, to quote another example, Article 83 of the Ordinance prescribing veterinary regulations governing the on import, transit and export of animals and other merchandise 96/ lays down that responsibility for enforcement rests with the Department of Public Finance and the Federal Finance and Customs Department and that, for technical questions, the Federal Veterinary Office and the Office of the Director General of Customs are competent. Article 3.1 of this Ordinance effectively establishes that organization is the responsibility of the Federal Veterinary Services while the control of this import, transit and export of animals and animal products lies with Frontier Veterinary Service.

Any generalization regarding quantitative legislation is more difficult to make. The Ministry for Economic Affairs is usually responsible, or its widely varying equivalents (those of Economic Policy or Foreign Trade, for example) is usually responsible,.

The need for a certain amount of decentralization and, in some cases, collaboration between government and the sectors concerned is provided for by agencies with a greater or lesser degree of autonomy and very different

characteristics. In addition to the Australian Meat and Live-stock Corporation, the Kenya Meat Commission and the National Meat Institute of Uruguay, already mentioned in section 2.3 of Part I (and others that will be given detailed treatment in single surveys of some countries in Part III) may be cited the National Meat Board of the Republic of Argentina.

This last mentioned Board 97/ has jurisdiction over the entire territory of the Argentine Republic and, as the enforcing agency set up to implement policy as laid down by the National Executive for the livestock and meat sector, enjoys independence within the sphere of action of the Secretariat of State for Agriculture. The Secretariat, under the laws in force, remains responsible for the legitimacy of the Board's actions. The governing body (directorío) of the Board is under a Chairman and a Vice-Chairman, who are appointed upon nomination by the Secretariat of State for Agriculture, and consists of eight members similarly nominated by the same Secretariat and those for Commerce, Industrial Development and Maritime Affairs, The nomination of four of these members is made through the Ministry of Economic Affairs. Two more members are appointed on nomination by the representative organizations of the livestock trade and livestock industry. Finally, all the members of this governing body are appointed by the National Executive.

When the Act setting up the NMB was introduced, the legality of the composition of the directorío was objected to by the stockraisers on the grounds that they were insufficiently represented on it 98/. The directorío has numerous powers and duties involved in the enforcement of the Act, extending to the organization of the Board itself and establishment of its rules of procedure, preparation of the draft budget and the annual action programme, the drawing up of regulations for the classification of livestock, meat and meat products, the following up of intelligence useful for the conduct of its affairs, authorization for establishments and their registration, the rules for trading in a freely competitive market, the setting of quality standards and the requirements for exports, the adoption of the measures needed for a modern and rapid supply system on the home market and the promotion of exports, the control of loading, consultation with the Executive, the enforcement of penalties laid down by the Act, the issuing of



information on animal husbandry and production of statistics and the holding of censuses, the study and presentation of measures designed to avoid or offset the effects of cyclical trends, and coordination with organizations charged with the enforcement of the pertinent health regulations.

Still on the subject of the National Meat Board of Argentina, special mention should be made of the setting up of a Hearings Committee, under the Vice-Chairman of the Board. This is responsible for protecting the interests of everyone connected with the production, storage and processing of meat who has no representative on the directorio, such as sausage makers, suppliers, butchers, manufacturers of and traders in hides, fats and other by-products, the transport and other sectors involved, in such a way that the Board is enabled to take into consideration each and every interest under its control.

## 2. A SURVEY OF NATIONAL LAWS

### 2.1 Qualitative legislation on imports

#### 2.1.1 Scope and general requirements

Public health and hygiene legislation is designed to protect the health of consumers and of a nation's livestock resources. Most of the countries under survey have established strict procedures for authorization and control.

In New Zealand, for example, legislation on livestock imports 99/ is restrictive to the extent that these are totally prohibited, unless the provisions of the Act are complied with.

Any country wishing to export meat or meat products to Canada must first present a request to the Minister for External Affairs. When this request has been forwarded to him, the Minister of Agriculture analyses the pertinent legal provisions controlling the inspection of meat in the requesting country, in order to ascertain what are the procedures and to what extent their

standards, requirements, etc., are acceptable. A study is also made of the sanitary condition of the country's livestock, in order to determine what kinds of meat are fit for importation into Canada, as governed by the presence or otherwise there of exotic diseases. Thus, imports from countries where there is foot-and-mouth disease or rinderpest are limited to canned and sterilized meat products. Fresh meat may be accepted only from countries free of diseases undetected in Canada 100/. If the results of this study are satisfactory, the final step in the procedure is a review of the actual implementation of the Meat Inspection Regulations in the country of origin by an officer of the Food Production and Inspection Branch of the Canadian Department of Agriculture.

In Switzerland, Article 37 of the Ordinance of the Federal Council dated 13 June 1977 101/, which regulates questions of veterinary law on the import, transport and export of animals and other merchandise, establishes the obligation to obtain authorization in order to import meat 102/. Such authorizations are issued by the Federal Veterinary Office once the consent of the appropriate veterinary officer of the Canton has been obtained and if 103/:

- (i) it can be shown that the situation regarding epidemic influenzas in the region of provenance is favourable; and
- (ii) it is guaranteed that the conditions and requirements imposed by veterinary legislation are complied with.

The same article lists the exceptions (the transit of travellers, consignments to members of the diplomatic corps, etc.), and other requirements of slight importance for this study. Similar considerations apply to Article 38, regulating what are referred to as "professional imports".

Still as regards the example of Switzerland - and the Ordinance here cited - Article 40 establishes that the only meat accepted for import shall be that fit for consumption that has not been adulterated, damaged or contaminated and contains no noxious or prohibited substances. Such meat must also comply with the requirements of the Federal Meat Control Ordinance of 1957 104/, especially as regards composition, additives, processing,

description, conditioning and packaging. The transportation and storage of meat must be so arranged that its keeping time, quality and other characteristics suffer no deterioration 105/. An indication of the country of origin must be added to the requirements of Article 68 of the above Federal Ordinance on Meat Control 106/.

Administrative requirements in Italy are that meat should arrive at the frontier duly stamped in accordance with EEC regulations and be accompanied by a sanitary certificate signed by the veterinary officer concerned and containing information in Italian as to its identification, provenance and destination. An important technical provision, prohibits the import of the meat of animals that have been treated with natural or synthetic oestrogens, to which extraneous substances have been added or which contain residues of substances hazardous to human health, as well as that treated with ionizing or ultra-violet radiation 107/.

### 2.1.2 Inspection: where carried out; and other conditions

Inspection at the frontier is a requirement of practically all the law studied here though it is quite common to find that not all the frontier stations have the staff and equipment to deal with the transit of merchandise in general and veterinary inspection in particular.

In Canada shipments of meat for import must pass through only those ports that are approved in the regulations, and must always be accompanied by a certificate signed by a veterinary officer of the country of origin confirming that the merchandise in question:

- (i) has been inspected and accepted as food;
- (ii) was fit for human consumption on the date of inspection; and
- (iii) complies with the requirements of Article 111 (1) of the Regulations Respecting the Inspection of Meat of 9 August 1979 108/.

As was pointed out in the preceding section, the competent body for control of meat imports into Switzerland is the Federal Veterinary Office 109/. Articles 4, 5, 6, 7 and 8 of the Ordinance of the Federal Council dated 13 June 1977 110/, regulating questions of veterinary law regarding the import, transport and export of animals and merchandise, go in detail into the organization of the frontier veterinary service and into the alternative competence of the Cantons - including that of the customs enclave of Sammaun - the customs offices that are open and how they are equipped. Article 40.4 of this Ordinance also foresees the possibility that the Federal Veterinary Office may at the expense of the importers concerned order inspections in firms that export meat to Switzerland.

As concerns Italy, the Frontier Veterinary Services and, exceptionally, Local Public Health Units, are competent to carry out inspections. According to Article 8 of Act No. 1073 111/, frontier veterinary officers must examine meat entering the country and, as the case requires, issue the appropriate health certificate, which is essential if meat is to be allowed to circulate within the country. The veterinary services are also responsible for checking health certificates issued by the veterinary services of the country of origin of the meat 112/.

In order to guarantee the health and hygiene condition of imported meat and to prevent problems arising at frontier stations, countries may insist on inspections being made in the country of origin. Mention has already been made of the procedure followed in Canada and the legal measures in force in Switzerland. When it is a question of dealing with countries outside the EEC, Italy relies on control in the country of origin. The competent authority - the Ministry of Health - may send veterinary inspectors to the countries concerned, provided their governments have granted authorization, to check on the health situation in slaughterhouses and their appurtenance 113/. The same type of inspection is provided for by the United States, first at the establishment from which the export originates 114/, and then at the actual moment of importation 115/.

### 2.1.3 Offences and penalties

Most of the legal texts examined provide a list of offences and the penalties that failure to comply with the regulations will involve, except when the general food law is applied and, where appropriate, its penalties prevail.

The classification of offences and the establishment of appropriate penalties is generally left to the Legislative, as explained in section 2.2.1 of Part I. This means that, in many cases, the general system of offences and penalties is covered by the basic Act and not set out in subsequent regulations. This is done in the hope of avoiding any possibility of illegal conduct on the part of administrators or the lack of legal certainty that would leave private citizens defenceless. Allowance is always made for a reasonable amount of discretion in the enforcement of penalties both by the administrative and by the law enforcement authorities.

The present survey of legislation reveals that there is a wide range of variation in offences and penalties. As will be seen below, these run from simple withdrawal of an authorization, licence or registration, to confiscation of the merchandise imported, with fines and other pecuniary penalties.

In Malaysia, legislation provides for the cancellation of the licences of those slaughterhouses that do not comply with the regulations in force 116/.

In Italy article 14 of Act No. 1073 lays down that, whenever there is danger that cattle disease may break out due to imports of fresh meat from the territory of other Member States of the EEC, the Ministry of Health may take the following action:

- (i) prohibit or set a time limit on the entry of fresh meat from the area of the country in which the on break occurred; and

- (ii) prohibit or limit in the same way imports from the entire Country when the disease is widespread or a new, serious, contagious disease breaks out 117/.

In Switzerland, Article 22 of the Ordinance of the Federal Council, dated 13 June 1977 118/, regulating questions of veterinary law on the import, transit and export of animals and merchandise, empowers the veterinary officer responsible for frontier inspections to impose the following penalties on shipments that do not comply with the legislation in force:

- (i) confiscation, when (a) the merchandise is obviously damaged or constitutes a hazard to health; (b) animals have died in transit; (c) the goods are ownerless; or (d) there are animals or merchandise the import of which is forbidden and which cannot be re-exported. Unless a contrary decision is made by the Federal Veterinary Service, the confiscated merchandise must be destroyed immediately by the municipal authority in whose territory the customs station in question is situated;
- (ii) seizure (séquestre), when (a) it is suspected that the animals or merchandise are affected by epizootic disease; (b) the animals cannot be transported because insufficiently protected; (c) animals have remained in situ for more than 48 hours without any request having been made to the appropriate authority for a veterinary inspection to be made; or (d) when the merchandise is considered a potential health hazard. Seized goods are to be stored, with charges to and at the risk of the person presenting them for customs inspection, under the supervision of the Federal Veterinary Service. After a reasonable time, the Service may confiscate seized animals or merchandise. Whenever possible, the person interested is heard first;

- (iii) rejection (refoulement): shipments that cannot be admitted for subsequent customs control must be rejected (unless they have been confiscated or seized) and may be presented again for veterinary inspection only after the anomalies that caused rejection have been set to rights; and;
- (iv) a shipment may be admitted conditionally (libre sous réserve) when the contravention of the regulations are minimal.

Article 82 of the same Ordinance of the Federal Council also provides for specific application of Article 52 (section 2) of the Act referring to epizootic diseases 119/ dealing with offences within the Swiss frontiers. If there is a simultaneous infringement of customs regulations, the authorities will order appropriate action, if necessary with the cooperation of the Federal Veterinary Service.

In Canada - where the penalties provided for in Article 8 of the Meat Inspection Act of 1955 are applicable - forfeiture and seizure are also contemplated.

As far as pecuniary penalties are concerned, in Italy Article 27 of Act No. 1073 lays down that contravention of its provisions 120/ or of any other health provision in force concerning imports, exports or transit of meat and meat products will incur fines of from 50 000 to 2 000 000 lire, unless the matter constitutes an offence under the Penal Code involving fraudulent trading 121/ or a crime against public health 122/.

In Switzerland, Article 80 of the already cited Ordinance of the Federal Council of 13 June 1977 123/, dealing with questions of veterinary law covering imports, transit and exports of animals and merchandise, sets out the terms for appeal against decisions of frontier veterinary officers. The person involved or owner of the merchandise in question may appeal to the Federal Veterinary Service, by telegram or in writing, not later than the working day after notification is received of the reasons for the measures taken. Decisions made by the Federal Veterinary Service may, in their turn, be the subject of an appeal to the Federal Department of Economic Affairs. The Administrative Procedure Act 124/ is applicable to all such appeals.

## 2.2 Qualitative legislation on exports

### 2.2.1 Scope and general requirements

As was shown in section 1.1, some countries have provisions to cover the health and hygiene aspects of exports. Elsewhere the general laws may include specific provisions on the subject or there may be generic provisions that are applicable by analogy. In any case, exports are subject to strict controls and it is often established that there must be authorization for or a register of export slaughterhouses and the obligation to comply with the regulations in force in the importing country.

Thus, in New Zealand, in order to comply with Article 11 of the Meat Act of 1981, no meat may be exported from the country unless 125/:

- (i) it is derived from stock slaughtered in an export slaughterhouse;
- (ii) it has been inspected by an Inspector and has been passed by him as being free from disease or defect and as suitable for export, and is branded in an approved manner;
- (iii) it has been properly preserved by freezing, chilling, salting, canning, drying, dehydrating or other approved methods;
- (iv) it is properly packed and is in good order and condition at the time when it is placed on board ship or aircraft for export;
- (v) it has at all times before export been kept or stored in premises licensed under this Act as an export store;
- (vi) the exporter is the holder of a meat exporter's licence granted pursuant to the Meat Export Control Act 1921-22 126/;



- (vii) any requirements imposed in respect of the entry of the meat into the country to which it is proposed to export it ... so far as they can be complied with in New Zealand, have been complied with;
- (viii) here is in force in respect of the meat an export certificate ... 127/ certified by an Inspector who is a veterinary surgeon registered under the Veterinary Surgeons Act 1956 128/.

In Switzerland, Article 71 of the Ordinance of 13 June 1977, which has already been quoted several times, establishes the conditions under which meat exports may proceed. In particular, the Federal Veterinary Service reserves the right to approve the text of all official veterinary certificates and also of the requirements under veterinary law agreed upon by the exporters and foreign buyers. It also ensures that such agreements contain no clause that contravenes Swiss law. The same Service may also, where necessary - if asked to do so by the importing country - approve certain conditions not provided for in the legislation in force in that country (manufacturing processes, product description, etc.).

Article 72 of the same Ordinance of 1977 also establishes regulations for the process of official approval (agrément) of abattoirs, export storehouses and handling premises, if the importing country so requires. The approval is issued by the Federal Veterinary Service. Some of the most important conditions are: (i) that the exporter complies with the provisions of legislation on food and epizootic diseases, as well as with the minimum requirements of the importing country; (ii) that the exporter offer all the necessary guarantees regarding compliance with the veterinary laws; and (iii) that inspection of meat in slaughterhouses shall be carried out by veterinary officers or, if necessary, by unauthorized inspectors under the supervision of those authorized. Each authorized exporter is given an official control number and an export stamp.

The law of Madagascar provides that veterinary approval for export shall be granted by the Ministry of Agriculture, on request by the interested parties, on the basis of information from, and the favourable opinion of, the Head of the Livestock Service 129/. Abattoirs and establishments in which meat is prepared or processed 130/ must:

- (i) comply with the hygienic regulations for the sector 131/; and
- (ii) possess adequate equipment, tools, materials and a methods of functioning to satisfy the technical regulations 132/.

As a member of the West African Economic Community (WAEC), Niger is required to apply for and duly obtain for her export slaughterhouses the approval of the General Secretariat of the Community and receive the favourable opinion, accompanied by a statement of reasons, of a Committee of Experts made up of representatives of the consumer Member Country (as Chairman), the producer Member Country, the country applying and the WAEC 133/. In this regard, the Health Agreement on Livestock and Meat 134/ approved by the Council of Ministers of the WAEC at Niamey on 5 April 1975, lays down in detail all the requirements for export slaughterhouses, including one that states that the person in charge must be sufficiently well qualified in the hygiene of products of animal origin, and that there must be an ante- and post-mortem inspection service, the responsibility of an official veterinary surgeon, a place for the animals to be kept waiting before slaughter, etc.

In Yugoslavia, authority to carry out inspections on meat for export is vested in the veterinary surgeons at the slaughterhouses who, accordingly, are qualified to pronounce on the quality of the meat 135/. Concerning meat products, the Regulations of 1962 136/, related to the inspection of merchandise intended for export, state that the inspectors must take appropriate samples, be analysed at the Technological Institute in Belgrade. For such analysis a basic report is required in writing from exporters in which the following information must be included: the kind of meat product in question, its quantity in kilograms and fractions of kilograms, the date of production and the country for which it is intended.

### 2.2.2 Inspection: premises and other conditions

It is logical to expect that inspections on exports should follow a different sequence from those on imports: the abattoirs and handling premises require primary control which can, if necessary, be repeated later at frontier stations, on the means of transport, etc.

Here will be cited, again, the example of Madagascar. In this country, as already pointed out, Article 4 of Decree No. 65-793 137/ lays down that abattoirs and all premises submitted for "veterinary approval for export" remain subject to permanent official veterinary control so as to ensure that animals have been slaughtered and their meat, offals and meat products handled, prepared and transported according to the public health and hygiene standards set out in the appropriate regulations issued by the Ministry of Agriculture. Each abattoir or establishment to which this measure is applicable is given a special number which must be used together with the words: "Agrément vétérinaire No. \_\_\_\_\_" in all documents accompanying products for export.

As regards the United States of America, 9 CFR 322 is a comprehensive series of regulations for meat exports. Control is made at the frontier stations as a requirement prior to disembarkation whatever means of transport is used 138/.

### 2.2.3 Offences and penalties

In New Zealand, the Meat Act of 1981 139/ sets out in Sections 29 and 48(c) the conditions under which the Director-General of Agriculture and Fisheries may cancel any licence. Section 47, dealing with offences and penalties, states that every person commits an offence against this Act who:

- (i) without reasonable excuse, acts in contravention of or fails to comply in any respect with any provision of this Act or any notice, direction, restriction, requirement, or condition given, made or imposed under this Act or any regulations made under it;

- (ii) with intent to deceive, makes any false or misleading statement or any material omission in any communication or application or return for the purposes of this Act or of any regulations made under it;
- (iii) with intent to deceive, misapplies or falsifies any brand or product description required or authorised to be used under this Act;
- (iv) with intent to deceive, misapplies or falsifies any certificate attached to any product, or tampers with any product which is subject to such a certificate.

The same Section establishes liability to a fine not exceeding 10 000 dollars for an individual or 40 000 dollars for a body corporate committing an offence under the Act.

In Madagascar, failure to comply with the conditions set out in the legislation in force will lead to suspension, and subsequent cancellation, of veterinary approval for the abattoir or establishment in question 140/. The appropriate authority to impose such a suspension is the Head of the Livestock Service, through a notification that states what offences are alleged. After a period of three months, allowed to the offender to comply with the legislation in force, the Ministry of Agriculture is empowered to withdraw such approval once and for all. All such penalties are imposed with due regard to other measures that may be applied in connection with the appropriate legislation on the prevention of fraud 141/.

Although its field of application is much wider, reference will also be made here to the provisions on offences, penalties and appeals in Act No. 21.740 of the Argentine Republic, which supersede the rules of the National Meat Board 142/. What is noteworthy is that it updates the amounts of the fines authorized and, especially authorizes the National Executive furthermore

to update them twice yearly. Fines must also be reasonably proportional to the gravity of the offence in the judgement of the authority imposing them (i.e. the Chairman of the Board) or dealing with the appeal, inasmuch as appeals are allowed that seek to have fines adjusted to the gravity, in pecuniary terms of the offence. Authorization is also given for precautionary suspension of the registration of an alleged offender 143/. Under the previous legislation this had been the province of the Chairman of the National Meat Board, but it is now in the hands of the directorio. Any decision reached must be based on the gravity of the alleged offence or the imminence of an ascertained hazard to the general interest, this in view of the gravity and the financial loss entailed for the party involved in a decision of this kind.

Article 31 of the same Act provides expressly for appeals to the Secretariat of State for Agriculture, as a means of ensuring effective control of the legitimacy of the actions of the Board. When an appeal is made against penalties or precautionary measures, as provided for in Articles 27, 28 and 29, it may proceed only if the penalty or precautionary measure has been complied with. It is interesting to note that, when penalties concern offences made under previous rules, reference is made to those in force at the time the offence was committed, although also allowing for application of the subsequent, more benign, legislation, as the more or less constant criterion of Argentinian case-law requires. Likewise, the procedure envisaged by the Act and in the regulations issued under it is applied whenever this is found not to be prejudicial to the accused, in cases of offences committed before the Act was passed. Lastly, Article 39 authorizes the use of judicial compulsion to obtain payment of fines, whilst in other cases power to do so derives from the general legislation.

### 2.3 Quantitative legislation

As noted in Part I of this survey, there has been considered resort to protection in the beef and veal sector 144/ and, in general, in the livestock sector during the last decades. Protectionism has increased particularly in the countries of the Northern Hemisphere which have market economies 145/. As well as imposing tariffs, countries have been resorting more and more to quantitative restrictions in the form of prohibition of imports, quotas, “voluntary” limitation agreements on exports, restrictive issuing of licences and centralization of purchases. As a result there has been an average increase in minimum import prices by means of variable charges. On the other hand, in addition to the tariffs and non-tariff barriers to trade already mentioned 146/, other measures geared to maintaining agricultural incomes have been adopted such as subsidies to producers and, especially, export refunds, which have a significant distorting effect on the international livestock and beef and veal markets.

This is not the place to explain - let alone justify - the causes of or reasons for this protectionism. Nevertheless, as mentioned in section 1.2.2 of Part I, they include a political desire to reach certain levels of self-sufficiency in these commodities and other considerations connected with the balance of payments and employment, as well as the objective of preventing farm incomes from being “left behind” in the general rise.

In turning to analyse generically the development and kinds of protection used in the sector, one must again recognize the increasing importance of non-tariff barriers to trade. The General Agreement on Tariffs and Trade itself admits that other trade barriers than tariffs exist and does all it can to lay down rules for these with the aim of raising the worldwide system of trade practice to a level of greater transparency and liberalization. In any case, given the fact that GATT regulations are established by consent and that it is thus logical that each country should try not to create legal vacuums or place their own operators in difficult situations by making drastic changes to or eliminating those regulations, it is not easy - nor, indeed, is it

desirable - to do away with non-tarif barriers altogether. Nevertheless, a certain degree of discipline is to be recommended in this sphere 147/. In any case, GATT requires a lower degree of “discipline” for non-tariff barriers affecting agricultural produce than for industrial. One may take, as an example, restrictions in the form of quotas on the importation of agricultural or fishery products that are allowed by GATT when such restrictions are needed in a country for the success of other government measures designed to:

- (i) restrict the quantities of the like domestic product permitted to be marketed or produced, or, if there is no substantial domestic production of the like product, of a domestic product for which the imported product can be directly substituted; or
- (ii) dispose of a temporary surplus of the like domestic product, or, if there is no substantial domestic production of the like product, of a domestic product for which the imported product can be directly substituted, by making the surplus available to certain groups of domestic consumers free of charge or at prices below the current market level; or
- (iii) restrict the quantities permitted to be produced of any animal product the production of which is directly dependent, wholly or mainly, on the imported commodity, if the domestic production of that commodity is relatively negligible 148/.

Industrial products are not eligible for this privilege in the strict sense of the word.

Undoubtedly, in order to cope with protectionism of this kind, developing countries that export bovine meat require a considerable amount of assistance from the international community. For any such assistance to become effective the industrialized countries would have to abstain from exporting meat to the international markets at highly subsidized prices.

### 2.3.1 Quantitative measures affecting imports

The first measure to be considered here must be tariffs, which may be defined as: “a means of protecting one's own economic activity against outside competition through import charges”. Tariffs, without further qualification, are applied on imports from any country without distinction. The general conventional tariff, side on side with this single general list, there will be a general conventional list consisting of duties on imports from countries with which modifying agreements have been arranged, especially with reference to GATT and the most-favoured-nation clause 149/. Preferential tariffs are those that give advantageous treatment to imports from particular countries.

The disruptive effects of tariffs on international trade are slighter than those of other protective measures, since they leave a margin for exporters who produce at low cost to increase their participation in the markets of importing countries and allow changes in world market prices to be reflected in the markets of exporting countries 150/.

Negotiations as to tariffs at the Tokyo Round were aimed at making substantial changes. The actual results, however, were far from encouraging. As an example, the report of the Inter-American Development Bank for 1980-81 states that “for the most important Latin-American products, changes in customs tariffs have been minimal. For eight of these products (meat, sugar, coffee, cocoa, cotton, copper, aluminium and iron ore) the average gross tariff reduction weighted according to the relative importance of each product in the region, was as low as 5.9% in the United States, 11.2% in the European Economic Community and 1.2% in Japan. There is also a very pronounced tariff grading 151/ for these products. On the United States market, the weighted average of tariffs after the Tokyo Round was 1.5% for non-processed products, and 3.1% for processed. The weighted tariff average is 2.7% for gross products and 12.3% for finished products in the EEC; and 6.2% and 17.1%, respectively in Japan” 152/.



Referring more specifically to the European Economic Community, (EEC tariff reductions have already been discussed in section 1.2.1 of Part I). One may note briefly that trade with non-member countries entails applying:

- (i) the Common Customs Tariff (CCT) 153;
- (ii) levies, i.e. variable charges equivalent to the difference between the guide price and the free-at-frontier selling price 154/ (this will be taken up again later);
- (iii) export refunds to cover the difference between EEC and world market prices.

As far as non-breeder animals, meat (fresh, chilled, frozen, salted, in brine, dried or smoked) and meat products are concerned the CCT is applied and also a levy determined, case by case, by reference to the basic levy, depending on what product is being imported. If the market price falls below the guide price, the levy is correspondingly increased, whereas, when the guide price falls the levy is reduced until it is at zero when the market price is over 106 percent of the guide price 155/.

It should also be pointed out that frozen meat intended for processing 156/ is totally or partially exempt from the levy and that, in every case, these special variable charges can be applied when the prices from non-member countries are abnormally low.

Quantitative restrictions are “control measures that limit the amount and value of external purchases without completely eliminating imports” 157/ and are used very frequently in the trade. Resort to them is generally justified - in critical situations - by the need to improve the balance of payments or make changes in what is being imported 158/. They usually turn out to be quotas on imports aimed at preventing the most competitive exporters from penetrating protected home markets. They also prevent the cushioning of world market fluctuations by readjusting imports. In principle, quotas of this kind allow exporters access to import markets and prevent home market instability

in importing countries from spreading to international markets. One might even say that fixed quotas are, in general, less damaging to international trade than variable charges. Yet, if these quotas are adjusted frequently to suit the conditions of the home market, they may cause just as much instability as variable charges. Import quotas also 159/ influence the kind and volume of trade because they promote production and have a negative effect on consumption.

This sort of measure merits special attention in certain countries generally considered to be "importing". In Japan the import quotas on beef and veal for the financial year 1984 were set at 150,000 tons 160/, i.e., 9,000 tons more than the year before 161/. Japanese quotas come under two categories:

- (i) the general quota (approximately 90 percent of the total); and
- (ii) the special quota (about 10 percent).

About 90 percent of the general quota is administered by the Livestock Industry Promotion Corporation - a Government board which will be discussed again under this section on state trading 162/.

Both Canada and the United States control imports by means of laws that impose quantitative restrictions when purchases exceed a pre-arranged level.

The compromise minimum access commitment agreed by GATT for Canada was, to take an example, 65,800 tons 163/ for fresh, chilled and frozen beef and veal; and it was expected that the actual amount would exceed that figure. If this happened, the Canadian authorities would be entitled to negotiate with the main suppliers for the limitation of actual imports to this level, since the volume of imports provided for by the Canadian Meat Import Act was less than the minimum global access commitment agreed to 164/.

Under the Meat Import Act of 1979, in 1984 165/ the United States set an “activating level” of 557,000 tons 166/, i.e., slightly less than that for 1983 167/. During that year, however, there was no need to negotiate agreements for voluntary limitation of exports with the main suppliers 168/ because the expected annual import level as forecast in the three-monthly estimates, never exceeded the activating level 169/.

As already stated in section 1.2.2 of Part I and in the present section with reference to tariffs, the European Economic Community does not at present impose any quantitative restrictions on meat imports. There is, instead, a system of minimum import prices, regulated by variable charges or regulatory duties known as levies 170/, applied at a very high level over and above the customs tariff. This means that all amounts of imported products must use one of the means provided for where charges have been lowered or abolished 171/. In certain cases the system is, to some extent, even more complicated. For example, under a special agreement with the EEC, as part of Lomé Convention, Botswana, Kenya, Madagascar and Swaziland have access to the Community's market. In this way exports of fresh, chilled and frozen beef and veal enter the Common Market exempt from duty and subject to only 10 percent of the variable charge imposed on imports from third countries. The EEC quota for this preferential access was set at 27,532 tons per annum in 1975 and increased, in 1980, to 30,000. Authorization for imports of beef and veal under this agreement has, however, been conditional on the existence of satisfactory animal health standards in the supplier countries. Partly as the result of outbreaks of diseases, especially foot-and-mouth, but also because of inadequate availability and sub-standard trade services, these four countries actually sent much less beef and veal to the EEC in the decade from 1970 to 1980 than had been agreed upon 172/. In 1981, the agreement was extended to include Zimbabwe but, because of animal health problems, the EEC has not - at least up to the time of writing of this survey - authorized the import of any beef or veal from this country 173/.

With regard to the effects of variable charges in general, it may be said - as already noted with reference to import duties and quotas - that they affect the volume of trade just as much as they promote production and

discourage consumption. However, unlike import duties 174/, variable charges prevent the most competitive exporters from entering protected home markets and do not allow any cushioning of world market fluctuations by adjusting imports. At first, variable charges transform imports into a variable residual that compensates for any possible remaining difference between supply and demand at home at the fixed price level. If the increase in home supply is greater than the growth of demand, no adjustment is made to the home markets and imports have to decrease. In the same way, when home production is less than the demand, the difference is compensated for by increased imports. In this way, imports fluctuate in response to the instability of the home market. As already noted, from this point of view, variable charges on imports may be more damaging than fixed quotas, although when they are added to home prices that are guaranteed by intervention buying, they may partially cushion home fluctuations and reduce the amount to which internal instability is extended abroad 175/.

It should also be said that, very occasionally and specifically when the prices on the world market are high, those countries that normally apply a system of variable charges on imports (and export refunds) resort to allowing subsidies on exports and imposing charges on imports to stabilize home prices. Such measures create even greater instability on the international markets.

Japan 176/ is one of those countries that impose variable charges on imports of beef and veal as well as import quotas and duties. The EEC, as already stated, also uses this system.

Variable charges on imports are an important part of the measures adopted by Austria, Greece, Portugal, Spain 177/ and Switzerland, and are generally in addition to quantitative restrictions or state trading. The Scandinavian Countries, where the system originated, also protect their markets with these charges 178/.

By state trading is meant the system under which an agency controlled by or the property of the State is virtually the only importer of a commodity.

Centralized buying, whether by direct state trading or through semi-state agencies, is generally in use, among other measures, in certain countries of Western Europe 179/, Canada, Israel and Japan, although not invariably applied to all cattle products. The same can be said of a number of importer developing countries 180/ such as Egypt, Libya, Iran, Iraq the Republic of Korea, and Venezuela. Lastly, state trading may be applied to all imports of products from cattle in countries with a system of central planning. In general, centralized purchasing is done case by case 181/.

If we return to Japan we shall find an example of this kind of trading. The laws of the country empower the Livestock Industry Promotion Corporation (LIPC) to auction meat import quotas twice yearly, with the objective of supplying the home market 182/.

With regard to the EEC and its intervention agencies, it may be noted that in 1984 these bodies purchased about half a million tons, i.e. 7 percent of the overall production, and stocks at the end of that year reached the unprecedented level of over 0.6 million tons. In addition, about 0.3 million tons of beef and veal were temporarily withdrawn from the market under a plan to assist the activities of the private storage sector.

In this chapter dealing with official agencies it is also pertinent to note that Government Board trading in cattle and meat in Kenya and Tanzania has suffered considerable losses on the home and export markets during the last few years 183/.

Very rarely - as already noted - countries that usually apply a system of variable charges on imports, or export refunds, may change over to allowing subsidies on imports when world market prices are particularly high this in order to stabilize home prices.

### 2.3.2 Quantitative measures affecting exports

Among the various systems that may, directly or indirectly, be included in this section, reference will first be made to the plan applied by New Zealand with the aim of stabilizing prices. Market prices in this country are kept at minimum levels by means of payments into a stabilization fund. If prices lower the activating price an amount is deducted and paid into the stabilization fund 184/. As a result of this system and because of the rise in prices to producers that started in July 1984, and in view of a possible guarantee for export market prices in 1985, beginning with the start of the 1984 85 trading year 185/, the minimum statutory price and activating price under this plan for the stabilization of prices were increased for cattle exports. The prices in force were, for example, as follows;

	Minimum 1983 84	prices 1984 85	Maximum 1983 84	prices 1984 85
NZ dollars				
Steers	1.53	2.15	2.00	3.05
Cows	1.20	1.66	1.65	2.50
Bulls	1.50	2.15	1.95	3.00

In 1984, increased income from exports allowed the New Zealand Government to abolish compensatory payments covering the difference in prices to producers of beef and veal.

Coming next to the effects of measures of this kind, one finds that both export subsidies and duties and other charges on imports tend to lower world market prices and restrict the markets for low-cost exporters. However, the extent of the decrease in world market prices and distortion of international trade is much greater when export subsidies are applied.

The significance of measures of this kind is remarkable. It has to be remembered that, globally speaking, subsidized exports in the last few years came to more than a quarter of the total world meat exports 186/.

The EEC applies export refunds 187/ designed, generally speaking, to enable exporters of agricultural products in the Community to sell on the world market. The operation may be accompanied by a refund to the exporting agent intended to cover the difference between the prices kept high by the Community and those obtaining - and they are generally lower than those of the Community - outside 188/.

Nevertheless, during the closing months of 1984, a reduction could be detected in the EEC duties on exports of certain kinds of beef and veal and cattle intended for meat, although they continued to be substantial. At the beginning of 1985, refunds designed to lower duties on exports of fresh and frozen beef and veal carcasses to the Near East were of 155 and 106 ECU per 100 kg. respectively.

Turning, next, to charges on exports, one notes that the Argentine Republic has in some cases applied a levy of 20 percent on export values 189/. Again, as stated in the previous section with reference to variable charges on imports, the countries that apply such charges or refunds to exporters may resort to applying charges on exports and also to import subsidies in order to stabilize home prices at times when international market prices are high 190/.

In any case, it is subsidy mechanisms that create the biggest problems. In recent years, measures of this kind have come into general use. They have a direct influence on the volume and kind of trade in meat products, and it is those designed to maintain farm incomes by keeping home prices at levels above those of the international market surpluses that are placed on the world market to subsidize exports 191/. In some cases - milk products for example - measures designed to keep incomes at levels above those of the world market have forced the United States and certain countries in Western Europe

to subsidise their exports to make them competitive or channel off surpluses, at no charge, through food aid programmes. As far as meat products are concerned, while it is certain that among the problems affecting and holding back increases in production in developing countries are drought (especially in Africa) and outbreaks of disease, plus inadequate price and market policies, the trade policies of several developed countries have had a detrimental influence. This has very definitely been the case with the policy of export subsidies and concessional credit - which require financial resources that the developing countries cannot easily find. This situation, together with the high costs of production, marketing and transport, as well as the difficulty of reaching acceptable standards of animal health, reduce the competitiveness of meat exporters.

Aid for exports is not always - or, at least, not exclusively - a question of direct cash subsidies. Promotion campaigns abroad, trade missions, participation at trade fairs and technical aid are among the other ways in which exports can be boosted.

The agencies referred to in section 2.3 of part I (the Australian Meat and Live-stock Corporation, the Kenya Meat Commission and the National Meat Institute of Uruguay) very often have export promotions of this sort among their objectives.

As far as Argentina is concerned, one needs to go back to the farsighted legislation of the 'twenties and then, in the 'thirties, to the setting up of the National Meat Board and the Argentinian Meat Producers' Corporation. From then on there has been increasing state control of the marketing system with the objective, that of providing resources and measures that would allow producers both to obtain reasonable prices and to avoid situations of market control or speculation that could be detrimental to a system of production requiring continuous investment and frequent modernization of equipment and methods. Argentinian legislation has among its objectives that of avoiding situations of uncertainty with regard to final livestock prices and controlling the activity and policies of frozen meat packers as well as cushioning against the perennial cyclical factors of animal husbandry. After the stage ushered in by Act No. 20.535 of 1973, which tightened state control over every phase of husbandry including production, there came in 1978



Act No. 21.740 to provide for the legal status of the National Meat Board. This repealed the previous Act, returned the Board to its traditional role and was based on the principle of the accessory nature of the State 192/. Article 1 of the new Act 193/ lays down that the National Meat Board shall have as its objective, within the limitations of its powers, “the promotion of production and the encouragement and control of the livestock and meat trade and industry with a view to meeting home demand and developing exports ...”. The Board is empowered to oversee not only cattle rearing and beef and veal production but also the husbandry of sheep and lambs, pigs, horses, goats, and their meat, meat products and by-products, while it remains at the discretion of the National Executive to exclude some of these species or include other meat-producing ones whenever the conditions of production, processing and marketing render this advisable.

To complete the present analysis mention must be made of the fact that subsidies to producers are the protectionist measures that cause the greatest distortion to trade since they do not reduce consumption.

### 2.3.3 Other measures and their effects

Sections 2.3.1 and 2.3.1, did not by any means exhaust the list of measures that may, in one way or another, affect the international beef and veal trade. Some of the measures omitted there have no legal standing, in the strict sense, while others affect imports and exports only insofar as they influence consumption, prices or production, which, in any case, are all very closely related one to another.

In this contest, for example, national meat policies have important repercussions internationally. In many developing countries, the effects of imports increasing beyond demand have been heightened by policies aimed at reducing prices to the consumer. Except in such oil-producing countries as were able to subsidize prices to consumers or producers on a grand scale, policies of this sort 194/ have had the effect of indirectly discouraging the production of meat for home consumption or export 195/.

Another matter concerns foreign exchange policy. This has, in certain cases, led to currency overvaluation, which sometimes becomes a further incentive to import, especially in the West African countries, or else discourages exports from countries like Somalia and the Sudan.

A further disincentive to international trade comes from countries at war in certain areas 196/. To all this must be added the fact that there is a submerged economy 197/ and contraband livestock trading 198/.

Where exports are concerned, there is also in some cases a negative influence that can be attributed to excessive dependence on a single market, and this can aggravate the situation created by the existence of two international beef and veal markets, one free from foot-and-mouth disease and the other not 199/.

As for consumption 200/, this, as might be expected, is affected first and foremost by prices, but this subject lies outside the scope of this particular survey. Simply to quote an example, in Norway, consumer subsidies led to this sequence of events: between 1974 and 1980 consumption of beef and veal rose by 19 percent, yet the total meat consumption went up by only 10 percent; in 1981 subsidies were reduced and beef and veal consumption fell by approximately 11 percent between 1980 and 1981 201/. In the same way, consumer subsidies were reduced and then withdrawn in Sweden (beginning on 1 December 1983) and a remarked decline in consumption ensued.

Still in relation to beef and veal consumption, to be noted are the promotion campaigns 202/, which are frequently marked in Sweden and other countries, and also competition from other kinds of meat in Switzerland, for example 203/ where the consumption of beef and veal and that of pigmeat are very closely connected. Sometimes dietary habits change - as in certain developed countries where consumer choice slowly shifts to other products for health reasons, such as a wish to reduce the intake of cholesterol - for reasons that may have differing degrees of scientific foundation, or simply because more fish is being eaten.

Another possible cause for reduced consumption may well be economic decline and high levels of unemployment 204/.

As far as prices are concerned, refer will be made only to intervention systems that, just like export refunds 205/, are designed to withdraw these products from the home market in order to maintain price levels. Every one of measures is used with effect by the EEC. To quote a recent example, on 20 August 1984, the Community introduced a series of measures to meet increased demand (and therefore keep prices up) including authorization for intervention agencies to buy whole carcasses and fore- and hindquarters 206/, of male and female animals, that had been kept in storage for periods of from nine to twelve months. The reason for this measure was that the EEC intervention agencies had run into considerable difficulty in finding space for storing intervention beef and veal and even went as far as to store a certain amount outside EEC territory and to authorize an increase in the subsidy for deboned beef and veal 207/.

Another factor that may influence prices is the expedient of shock imports that governments generally resort to in order to keep meat prices at a level within reach of the average consumer 208/.

Finally, there is currency depreciation or devaluation, which may lead to a rise in prices paid to producers 209/ and create distortions in international statistics, which are compiled in terms of United States dollars, where relation to quantitative variations are concerned.

It is important to refer also to production since - as already noted - when there is an excess there is also a drop in home demand and this may lead to a reduction in imports and an increase in exports 210/. There are several different, direct and indirect, ways in which production increases can be affected: the issue of slaughter bonuses, decreasing price systems, etc.

As to bonuses, for example, the remarkable increase in the slaughter of calves 211/ that has been observable in recent years in Norway may be attributed to the introduction, in August 1982, of a slaughter premium which, since 1983, has amounted to between 400 and 1,000 Nkr per slaughtered calf weighing not more than 35kg. The bonus was authorized for the twin purpose of: to reducing the levels of meat and milk production. This explains why the highest premiums, of 1,000 Nkr, were paid for the slaughter of heifers. The result it was hoped to achieve by this measure was to reduce the carcass weights and thus, consequently, meat production. It is interesting to note that the result obtained in the months from July to December of 1982 and 1983 was that there was a 175 percent increase in calf slaughter during the second half of 1982, although veal production went up by only 61.2 percent. In 1983 there was an increase of 14.5 percent in calf slaughter and a 12.3 percent decline in veal production 212/. A similar measure was introduced on 1 January 1982 for adult bovines, in the form of a system of decreasing prices by which prices paid were the lower the heavier the animals 213/. In Sweden, too, bonuses were introduced for the slaughter of calves and heifers (as one of several measures taken by the authorities in 1982 with the objective of reducing the production of milk and beef and veal); and this proved to be an extremely effective method 214/.

High feed prices 215/ have a decidedly negative effect - both in the medium and long term - on meat production, and so do bad weather, and especially in the case of drought 216/, and other more heterogeneous factors such as social conflict in animal husbandry areas, and epizootic disease 217/. The short-term effects may be contradictory. Because of a serious drought in vast areas of Western Canada during 1984, a large number of cows ended up on the meat market notwithstanding government subsidies to help livestock farmers to buy feed or transfer animals to free drought-areas.

The campaigns launched to limit milk production deserve specific attention. Measures taken toward that end by the EEC led to the slaughter of a large number of milch cows and were the most important cause of an increase in beef and veal production. The Community adopted a five-year plan to reduce milk production, which took effect from 1 April 1984. The main feature of this was that the amount of milk produced should be limited to a reference

level 218/ to be attained by introducing a surcharge on production in excess of it 219/. To avoid lowering quotas, EEC producers remarked increased sales of milk cows in 1984 and so avoided having to pay the surcharge. It is estimated that, in the first six months of that year, the increase in the number of cows slaughtered varied from 7 percent in Ireland and Italy to 26 percent in the United Kingdom. As well as applying the measures agreed on by the Community, several Member States aided dairy farmers to persuade them to cease, or at least reduce, milk production, which was one more reason for putting milch cows on the meat market.

Still on the same subject, one may note the case of Finland, where a decrease in cow members 220/ also is to be attributed to Government measures to reduce production in the milk sector. Nevertheless, since, as in the majority of European countries, beef and veal is traditionally a product derived from milk exploitation - which means that a decrease in the number of milch cows does not produce a shortage of beef and veal, - the Finnish authorities introduced a number of measures based, in part, on prices and premiums to serve as an incentive to persuade livestock farmers to produce milk instead of meat 221/ and, on the other hand, a policy of supporting the private sector with the aim of improving the profitability of producing beef and veal. The Finnish Parliament also adopted a system of quotas on milk production 222/ which, in the medium term, and as a result of the reduction in the number of milch cows, could have a negative effect on beef and veal production 223/.

Lastly, it is worth mentioning that in the United States, a programme for substituting meat for milk production (initiated at the end of 1983 as part of a series of measures designed to reduce milk) had much less influence than had been anticipated on the number output of cows slaughtered. The chief effect of this programme was seen during the first 14 weeks of 1984. After this the slaughterings of milch cows declined markedly and, according to reliable estimates, the number of cows slaughtered in 1985 would unlike what had happened in 1984, drop considerably 224/ and continue at low level in 1986.

Low-cost loans to producers 225/ and similar financial measures, including tax reductions may be cited as measures tending towards long- or medium-term increase in production.



### PART III: SURVEY OF LEGISLATION IN SELECTED COUNTRIES





## AUSTRALIA

### LEGISLATIVE TEXTS

- The Quarantine (Animals) Regulations. The proclamations under the Quarantine Act 1908-1950 relating to the quarantine of animals. As in force on 31st October, 1955 - Separate publication.
- Act No. 67 of 1977 dealing with the Australian Meat and Livestock Corporation of 16 June 1977, No. 67.
- Commerce (Trade Descriptions) Act 1905 - Incorporating all amendments to legislation made to 31 August 1979. - Separate publication.
- Amendments of the Quarantine (Animals) Regulations, 6 February 1980. Statutory Rule No. 16 of 1980.
- Exports (Meat) Regulations. Incorporating all amendments by legislation made to 31 August 1980. Separate publication.
- Meat Research Act 1960. Reprinted as at 30 June 1981. Separate publication.
- Meat Export (Penalties) Act, No. 149 of 1981. Assented to 26 October 1981 Acts 1981, No. 147.
- Act No. 46 of 1982. An Act to amend the Australian Meat and Live-stock Corporation Act 1977. Assented to 9 June 1982. Acts 1982, No. 46.
- Quarantine Act 1908. Reprinted as at 31 March 1983. Separate publication.

### QUALITATIVE LEGISLATION ON IMPORTS

#### Scope and general requirements

Regulation 82 of the Quarantine (Animals) Regulations 226/ lays down that no meat shall be landed unless there has been produced a certificate by a Government veterinary surgeon of the country of origin certifying, among other things, that it was derived from animals slaughtered for human consumption in the country in which the certificate is issued, that the animals in question were subjected to ante-mortem and post-mortem veterinary inspection at the time of slaughter and were free from contagious and infectious disease.

Concerning cooked and canned meat, an amendment of 1956 227/ also lays down that the above certificate shall be accompanied by a declaration by the manufacturer stating:

- (i) that, in the course of manufacture, every portion of the contents of the cans or tins has been heated to a temperature of not less than 100° Centigrade; and

- (ii) the temperature of the heat used for that purpose and the length of time for which it was used, which has been endorsed by a Government veterinary surgeon or other responsible Government officer in the country of manufacture with a certificate certifying that he is familiar with the process of manufacture of the goods and that he has no reason to doubt the truth of the declaration.

The same regulation 82, as amended by the Regulations of 6 February 1980 228/, provides that in the case of uncooked meat of bovine animals from Canada or the United States the proof (and appropriate certificate) on the part of the officer responsible for the quarantine service that, as well as the quoted general conditions, he is satisfied that:

- (i) the animals were slaughtered, or the meat was packed, on a specified date or dates;
- (ii) the animals were bovine;
- (iii) the meat does not include meat of any animal other than a bovine animal;
- (iv) where the meat has been comminuted, no segment of the meat has a volume of less than 125 cubic centimetres;
- (v) the abattoir or other establishment in which the meat was processed or packed did not, at the time the meat was processed or packed hold any ruminant or pig imported from a country other than Canada or the United States, or any imported meat other than meat imported from Canada or the United States, as the case may be, Australia or New Zealand; and
- (vi) the abattoir or other establishment in which the meat was processed or packed:
  - (a) is licensed, registered or otherwise considered acceptable by the Australian government for the purpose of exporting meat to Australia;
  - (b) has been allocated a number commonly known as a veterinary control number by the government of the country from which the goods were exported; and
  - (c) the number is stamped on, or shown on an adhesive label stuck to the meat or the packing in which the meat is contained.

Inspection: premises and other conditions

The Quarantine Act 1908 229/ states that the Governor General may, by proclamation, declare which quarantine stations, ports and airports are authorized for the import of animals and meat products.

### Offences and penalties

Section 9.1 of the Commerce (Trade Descriptions) Act of 1905 230/ establishes a money penalty on anyone importing goods to which a false trade description is applied, and Article 10 of the same Act prescribes the forfeiture of falsely marked goods. In the case of appeal and subsequent correction of the false trade description, the forfeiture may be remitted, subject to the payment by the importer to the Customs of the expenses of the seizure.

### QUALITATIVE LEGISLATION ON EXPORTS

#### Scope and general requirements

In application of Regulation 20 of the Export (Meat) Regulations of 1905 231/ any premises used for the slaughter of animals from which meat intended for export is obtained, or the preparation or storing of meat intended for export, must be registered as an export establishment.

In order to obtain such registration, the person concerned may make an application to the Secretary to the Department of Primary Industry 232/ which shall comply with, among others, the following conditions:

- (i) contain particulars of the operations proposed to be carried on in the premises in connection with meat intended for export;
- (ii) contain a full description of the equipment available, or to be made available, in the premises for carrying on those operations; and
- (iii) be accompanied by two copies of the plans and specifications of the premises and by a clear photograph, or contour map, that shows the position of the premises in relation to the land on which the premises are erected and to any adjacent premises.

The Second Schedule to these Regulations sets out in detail the conditions required of such premises, especially the following: that they should be situated at a reasonable distance from any building used as a residence, from public highways or factories; that premises used for slaughter, processing, storage, etc., of meat must be separated from other buildings and kept perfectly clean, etc.

There are also specific requirements concerning the construction of such premises (in order to facilitate their inspection and to make them easy to clean, floors of impermeable materials, etc.); the water supply (which must be adequate to reach every room, so that they may be washed together with the utensils in them); their equipment, etc.

Part III of the same Schedule refers to conditions to be complied with in premises in which frozen meat is to be stored. Parts IV and VIII are devoted, respectively, to the conditions required from premises in which animals are to be slaughtered and those in which deboned or comminuted meat is to be prepared (for the purpose of exportation).

### Inspection: premises and other conditions

Inspection shall take place in premises registered for exportation and those to which we referred in the above section 233/ and also in the ports of embarkation 234/.

Regulation 12 of the same Exports (Meat) Regulations states that the exportation of meat that does not comply with the conditions set out in Part I of the Second Schedule 235/ is prohibited and also establishes, among other things, that for such exportation to be authorized:

- (i) the exporter must hold a valid export permit; and
- (ii) the meat shall be loaded, for export, into the hold of a ship that is not, in the opinion of an officer, in an insanitary condition and does not contain any goods that are likely to cause the meat to become contaminated.

Meat for exportation must also be stamped in accordance with the applicable law 236/.

### Offences and penalties

Australian legislation on meat exports lists a wide range of penalties which run from cancellation from the register of export establishments to that of the trade mark and suspension of operations in these establishments. The first of these penalties is applied when the appropriate authority - the Secretary to the Department of Primary Industry - deems that the establishment or slaughterhouse in question has failed to comply with the conditions set out in the sixth Schedule to the Exports (Meat) Regulations 237/: that the equipment available is no longer adequate for carrying on satisfactorily all the operations required in an efficient and hygienic manner; that alterations prohibited by Regulation 26 have been made to the export establishment; or that the person in whose name the export establishment is registered ... has failed to comply with a provision of these Regulations applicable to him 238/. Where the premises cease to be registered, the person in whose name the premises were so registered is to deliver the certificate of registration ... to the Secretary for cancellation 239/.

The Regulations also establish that in certain cases the penalty shall consist of cancellation of a trade mark registered as a brand 240/.

Another authorized penalty is the suspension - for a set time - of operations connected with the preparation of meat for export in an establishment authorized to do so 241/.

Section 3 of the Meat Export (Penalties) Act, No. 149 of 1981 242/ provides for penalties of a fine not exceeding 100,000 Australian dollars or imprisonment for a period not exceeding 5 years, or both, for contravention of regulation 33a (irregular use of an inspection stamp) or 58 (alteration or interference with an official stamp or mark).

## QUANTITATIVE LEGISLATION

The Australian Meat Industry, the most important world exporter of meat (in general) since the seventies, is run essentially under conditions of free trade 243/.

As regards quantitative provisions taken by other countries which might have an effect on the economy of animal husbandry in Australia, the process now taking place of rebuilding herds 244/ is being threatened - according to the Australian authorities - by the effects of continuous increase in exports of subsidized beef and veal. This, in its turn, affects the stability of the world market and beef and veal prices 245/.

It is important that, in this section, mention should be made of the Australian Meat and Live-stock Corporation, which is governed by the Australian Meat and Live-stock Corporation Act, No. 67 of 1977 246/ and functions to improve production in its sector, promoted consumption of its own products both in Australia and Overseas, inform and advise the Minister concerned, make appropriate plans and submit them for his approval including, if need be, suggestions concerning regulations considered opportune and, most importantly, to encourage and promote - with the appropriate assistance - exports of meat and livestock. To enable it to operate, the Corporation is authorized to take any necessary or appropriate action such, as purchase under contract without ministerial authorization, always provided the amount involved is not more than 100,000 Australian dollars, of property or interest on goods that are not meat or livestock or, likewise, the purchase of meat or livestock for export, as well as the sale for export of meat or livestock in its possession. The Act also provides that if a foreign country has established quotas on imports of meat or a particular kind of meat, the Corporation shall take charge of the preparation and application of the corresponding plan of distribution of the quotas for export of each concessionary, according to the rules established by the Act itself. This Act also lays down the conditions governing chartering agreements for meat or livestock for export to foreign countries, as well as the corresponding insurance agreements. Only the Corporation may be a party to such agreements, either acting in its own name or as the agent of the owner of the merchandise or anyone else entitled to export, and those persons who, from time to time, are authorized by the Minister concerned, acting through the recommendation of the Corporation. The Corporation also has other responsibilities, such as for the nomination of agents in Australia or Overseas, for authorizing the use of its own patent, contracting advisors and organizing a concern to provide services in the export of meat or livestock 247/.

Part III of Act No. 67 of 1977 248/ refers to the nature of the Corporation, its composition 249/, representation within it of livestock producers and meat exporters, the duration of membership 250/, the functions of the President, Vice-President and a member substituting for him, remunerations and subsistence allowances, authorization of absence, resignations, suspensions from duties as well as the organization of meetings 251/.

The seventh and last part of the Act 252/ deals with the obligation to communicate information to the Corporation, the delegation of powers, the annual report on its activities, system of penalties and the statutory powers vested in it.



## FRANCE

### LEGISLATIVE TEXTS 253/

- Order concerning the regulations for State Export Slaughterhouses - 21 July 1962 - Journal officiel de la République française, No. 172, 22 July 1962, page 7261 (Corrigendum in J.O. No. 197, 22 August 1962, page 8304).
- Ministerial Order concerning the entry into France of fresh meat originating in Member States of the EEC - 25 November 1970 - J.O. No. 302, 30 December 1970, page 12235.
- Interministerial Order establishing the requirements for the import of meat and other products of animal origin intended for human consumption - 1 March 1979 - J.O. No. 1465, 24 March 1979, page 5.
- Ministerial Order concerning the import of fresh meat from countries outside the EEC - 20 March 1979 - J.O. of April 1979.
- Ministerial Order concerning the import of meat products, offal, food fats not presented fresh, chilled or frozen, preserved and processed products obtained from meat, or offal and meat extracts - 30 April 1979 - J.O. 12 June 1979.

### QUALITATIVE LEGISLATION ON IMPORTS

#### Scope and general requirements

Article 3 of the Ministerial Order concerning the entry into France of fresh meat originating in Member States of the EEC 254/ establishes that, as far as beef and veal so originating is concerned, import shall be permitted only of whole carcasses, sides and quarters that:

- (i) are obtained from an authorized abattoir inspected according to the legislation in force 255/;
- (ii) are obtained from animals that have satisfactorily passed ante and post-mortem inspection by an official veterinary surgeon 256/;
- (iii) have been handled under satisfactorily hygienic conditions 257/;
- (iv) bear a health stamp, according to the appropriate legislation 258/;
- (v) are accompanied by the appropriate health certificate 259/;
- (vi) followed post-mortem inspection have been stored under satisfactory hygienic conditions 260/; and
- (vii) have been transported under equally satisfactory hygienic conditions 261/.

Concerning fresh meat originating outside the EEC, Articles 3 and 4 of the Ministerial Order of 20 March 1979 262/ establish that such meat must derive from animals slaughtered in an approved abattoir, prepared and stored in approved cutting establishments and cold storage premises, whenever these do not form part of an approved abattoir and, as far as sides and quarters are concerned, when these can be recomposed as a single animal.

Fresh meat of this sort must also comply with the following, among other, conditions. It must:

- (i) be obtained from animals that have undergone ante-mortem inspection by an official veterinary surgeon 263/ and passed as fit for slaughter 264/;
- (ii) have been handled under hygienic conditions 265/;
- (iii) have undergone a post-mortem health inspection under the direct responsibility and control of an official veterinary surgeon with the result that the carcass was passed as being fit for human consumption and not constituting a human health hazard 266/;
- (iv) bear the appropriate health stamp 267/;
- (v) have been stored, following post-mortem inspection, under satisfactory hygienic conditions in approved storage plant 268/; and
- (vi) have been transported in accordance with the appropriate requirements and handled under hygienic conditions 269/.

#### Inspection: premises and other requirements

Article 2 of the Ministerial Order on conditions for the import of meat and other products of animal origin intended for human consumption, of 1 March 1979 270/, establishes that import of such products shall be imported only after they have passed a health and qualitative inspection at a frontier station in full-time service.

Should any one of these frontier stations not possess the veterinary staff and necessary equipment for carrying out correctly such inspections it shall be closed 271/ for imports of this kind of product.

Article 3 of the Order specifies that the said inspection is carried out to ensure that the products are sound and in a good state of preservation, and that they conform to what is claimed for them in the documents from their place of origin. It is also stated that the merchandise in question shall comply with the provisions of the appropriate regulations on transport, packaging, branding and presentation.

It should also be pointed out that the Ministerial Order covering the entry into France of fresh meat originating in Member States of the EEC, of 20 November, 1970 272/, lays down that abattoirs or cutting premises in the



Member States from which meat is to be imported shall be approved, the competence for this purpose being vested in the appropriate authority in the countries concerned. The authority in question ensures that such approval is granted only to establishments that the requirements of Chapters I and II and Schedule I of the above Order and satisfy the remaining conditions set out in the Schedule. In addition, all approved abattoirs and cutting premises are to be included on separate lists and each given a veterinary approval number. Each Member State is to be responsible for communicating to the French Ministry of Agriculture such information and, as the case may be, notice of cancellation of approval 273/.

#### Offences and penalties

Article 6 of the Interministerial Order establishing the requirements for the import of meat and other products of animal origin intended for human consumption of 1 March 1979 274/ establishes that any shipment not accompanied by the appropriate health certificate, that does not conform to the description set out in the documents of origin, or fails to meet the conditions of the pertinent regulations on transport, packaging, branding and presentation shall be rejected (“refoulé”). Any decision in this sense, and the reasons for which it was taken, must be clearly stated on the certificate of origin accompanying the meat. The Health Regulation Office at the frontier and Quality Control must also be notified immediately with specific mention of: the customs station and veterinary surgeon inspector that made the decision; name and address of the shipper; name and address of the consignee; description of the shipment (kind and weight of the merchandise); and the new consignee.

French legislation also provides for the making good (“mise en conformité”) of defects 275/ and corresponding appeals 276/.

When the measure that prescribes rejection (“refoulement”) of merchandise is impossible to comply with, the merchandise is to be seized (“saisie”). Article 9 of the above Interministerial Order (of 1 March 1979) establishes that confiscated products shall be destroyed or denatured, according to the instructions of the veterinary surgeon inspector and in his presence.

#### QUALITATIVE LEGISLATION ON EXPORTS

Among the specific requirements for export to be permitted should be drawn to the Order prescribing rules to be complied with by State abattoirs approved for exports, dated 21 July 1962 277/. This establishes, in Article 1, that, in order to be approved for exports, the said abattoirs must comply with the general regulations on installations, equipment, method of functioning, hygienic requirements and organization of the veterinary inspection service that are to all intents and purposes equivalent to those covering abattoirs or establishments approved for importing into France.

## QUANTITATIVE LEGISLATION

The Common Agricultural Policy (CAP) of the EEC - to which France adheres - has an overriding objective consisting in providing for a basic and constant need of its consumers: food. Any kind of agricultural policy does, of course, aim at guaranteeing adequate and regular supply. Nevertheless, atmospheric and biological factors have a considerable influence on agriculture and animal husbandry with the result that supply and demand rarely coincide and this leads to surpluses or shortages 278/. All this has a direct influence on selling prices, at the expense of consumers in the European Community, which at present devotes an average of 19 percent of its budget to the purchase of food. However, this percentage has fallen considerably with the increase in the standard of living in general. Food prices also depend on commercial and industrial costs 279/.

Article 39 of the Treaty of Rome defines the five fundamental and inseparable objectives of the common agricultural policy. They are: to increase productivity by developing technical progress, ensuring rational development of production and the optimum utilization of the production factors, especially manpower; to guarantee a fair standard of living for farmers; to stabilize markets; to guarantee the security of supplies; and to ensure reasonable prices to consumers.

In order to attain these objectives, the markets for different agricultural products have gradually been organized 280/. Market organization has been based on three principles: a single market, priority for the Community and the financial solidarity of Member States.

(i) A single market implies totally free trade between members and, consequently, abolition of customs duties and non-tariff barriers and also harmonization of administrative, sanitary, veterinary and other regulations to protect the consumer. It also involves having the same rules for management, common prices and identical controls on competition as well as a single set of protective measures at the frontiers of Member States.

The rules of management, which are applied uniformly throughout the entire Community, differ according to the characteristics of the various products 281/. Thus, among the different kinds of common market organization 282/, the outstanding fact is that approximately 72 percent of the products (beef and veal included 283/) benefit from a system based on support prices which guarantee permanently or, in a few cases, under certain conditions, the price of products and their sale. When market prices fall to a set level and the other conditions apply, what are known as intervention agencies buy the products that are on offer and store or sell them in accordance with community regulations. The market can also be supported by more flexible measures: aid for storage or distillation, subsidies to groups of producers, etc. To obtain uniform functioning of the mechanisms the Community institutions need, each year, to set common guaranteed prices, applicable in all the Member States. Because of monetary instability that set in from 1969, "monetary compensatory amounts" had to be determined for each Member State to compensate for the effect of variations in the exchange rates of national currencies on community prices. It was possible in this way to protect the common prices and cushion the effect of currency fluctuations, although extended application of this system might lead to certain distortions in competition 284/.

(ii) Community preference is the indispensable complement to market unity: the Community, as an integrated trade area (the Common Market) has organized protection vis-a-vis countries outside itself in such a way that its own products, both agricultural and industrial, enjoy specific preference. Hence this expression "Community preference" to signify priority of circulation and consumption for community products, especially in the agricultural sector. Protection against low-price imports and fluctuations on the world market is thus assured by customs duties or levies, which are a sort of sliding-scale duty which serves as a "sluice-gate" at the frontiers of the Community. If necessary, such protection can be applied only during certain periods of the year. This is how the mechanism of deductions works; if the prices of imported products are lower than those of the Community, a tariff equal to the difference between the two prices is imposed. This ensures free access to the Community market without distorting competitiveness inside the market itself. If, however, world prices are higher than EEC prices, the existence of a tax on exports may dissuade Community producers from selling on the world market to the detriment of European consumers 285/.

(iii) Financial solidarity is the logical consequence of the above principles. In practice, this means that revenues and expenses 286/ due to the CAP throughout the Community are paid in the Community budget direct.

Specifically, as regards the legal rules for the beef and veal sector - as was already pointed out in Part II of this survey - Community rules are based on Regulation (EEC) No. 805/68 of the Council of June 27, on the common organization of markets in the beef and veal sector, and subsequent measures taken to this effect 287/.

Thus the market within the Community is regulated by a system of prices and interventions that are established annually 288/. These are the prices regulated:

- (i) guide (or desirable) price, round about which the prices on the representative markets of the EEC should be fixed;
- (ii) intervention price 289/, which determines whether the official authority shall continue or cease to buy.

Each year, at the beginning of the season, the following are also established:

- (iii) purchasing prices according to categories (jeune bovin, boeufs taureaux, etc.) which run to a maximum and a minimum value - according to the differences in the value of the meat taking into account age, weight, conformation and fattening of the animals - which is calculated by applying to the intervention price coefficients that reflect the existing ratio between the price of each category and that of "gros bovines".

The following measures are taken to ensure that prices remain close to the guide price:

- (i) aid for private storage (when the market price falls and threatens to reach the intervention price); and
- (ii) purchases made by the intervention agencies (which can be brought into effect in one or more Member States at the same time if prices fall below the intervention price) 290/.

Trade with countries outside the EEC is carried on by applying:

- (i) the Common Customs Tariff;
- (ii) levies amounting to the difference between the guide price and the market price free to frontier 291/; and
- (iii) export returns, covering the difference between the EEC price and the world market price 292/.

In the case of non-breeding animals, meat 293/ and meat products the Common Customs Tariff is applied plus a levy which is obtained case by case by starting from the “basic levy” and depending on which of the three it is. If the market price falls below the guide price, the levy is progressively increased. Whereas, when the guide price falls, the levy is reduced until it reaches zero if the market price is more than 106 percent of the guide price.

## KENYA

### LEGISLATIVE TEXTS 294/

- The Kenya Meat Commission Act (an Act of Parliament to establish a commission to purchase cattle and smallstock, and to acquire, establish and operate abattoirs, meat works, cold storage concerns and refrigerating works for the purpose of slaughtering cattle and smallstock, processing by-products, preparing hides and chilling, freezing, canning and storing beef, mutton, poultry and other meat foods for export or for consumption within Kenya, and to confer certain exclusive rights upon the said commission, and for other purposes incidental thereto and connected therewith) - Laws of Kenya, Chapter 363. Separate publication 295. Revised ed. 1972 295/.
- Act No. 7 of 1972, the Meat Control Act (an Act of Parliament to enable control to be exercised over meat and meat products intended for human consumption, and over slaughterhouses and places where such meat is processed; and to provide for import and export control over such meat and meat products; and for matters incidental to and connected with the foregoing) 6 July 1972 - Kenya Gazette No. 34, 14 July 1972, Supplement No. 45, page 65 296/.
- The Meat Control (Export and Slaughterhouse) Regulations, 1973 - 6 October 1973 - K.G. Supplement No. 75, 2 November 1973, page 467.
- The Agriculture Act (an Act of Parliament to promote and maintain a stable agriculture, to provide for the conservation of the soil and its fertility and to stimulate the development of agricultural land in accordance with the accepted practices of good land management and good husbandry). - Laws of Kenya, chapter 318 - separate publication. Revised 1980 297/.

### QUALITATIVE LEGISLATION ON EXPORTS

#### Scope and general requirements

As established by Regulations 3 and 4 of the 1973 Meat Control (Export and Slaughterhouse) Regulations 298/, it is the duty of the Minister for Agriculture to declare an export slaughterhouse any place where meat is prepared for export, provided that all the conditions set out in the legislation in force are complied with. Section 2 of Act No. 7 of 1972 299/ defines the Minister responsible as: "the Minister for the time being responsible for veterinary services". Section 3 of the same Act states that the Minister may make regulations:

- (i) providing for the licensing, control and regulation of slaughterhouses and of premises where meat is processed in any manner for human consumption, including the maintenance of technical, and in consultation with the Minister for the time being responsible for health, sanitary and hygiene standards in such slaughterhouses and premises;

- (ii) defining areas to be served by specified slaughterhouses;
- (iii) specifying standards, in consultation with the Minister for the time being responsible for health, to be observed in respect of the manufacture of meat products, including the name or description, composition, additives or contaminants, labelling and packaging of such products;
- (iv) providing for the inspection of slaughterhouses and premises, and the taking of samples of meat products and food additives or contaminants used in connection therewith;
- (v) specifying the standards to be observed in respect of the storage and transportation of meat, and the transportation of animals intended for slaughter;
- (vi) for the licensing and control of imports and exports of meat;
- (vii) for the professional control, supervision and licensing of persons appointed to carry out any inspections in specified areas under the regulations;
- (viii) prescribing forms to be used and fees to be paid in respect of things to be done under the regulations;
- (ix) generally for the purpose of ensuring that meat is wholesome and properly fit for human consumption.

Regulation 5 of the above cited 1973 Meat Control Regulations forbids the slaughter of animals which have not been inspected by an inspecting officer 300/ except only in an emergency. Regulation 6 lays down that no person shall part with the possession of a carcass of any animal slaughtered in an export slaughterhouse, unless such carcass has been inspected by an inspecting officer.

Inspection: premises and other conditions

The 1973 Meat Control Regulations 301/ establish that, in order to facilitate inspection, slaughterhouses must be provided with adequate and well equipped areas reserved for the exclusive use of the inspecting officers. For the same reason, each export slaughterhouse must have satisfactory premises, the necessary equipment and sufficient natural and abundant artificial light.

Further, in order to meet the requirements of sanitation and hygiene, each slaughterhouse must provide an ample supply of potable water and also of water that can be heated to 82 degrees centigrade, to be used for the cleaning of equipment, floors and the like, which are subject to contamination 302/.

Walls, ceilings, doors and other parts of such establishments are to be made of materials that will make them capable of being readily cleaned. The floors shall be kept watertight. The rooms and compartments used for edible products shall be separate and distinct from those used for inedible products. Butchers, and other persons who dress and handle diseased carcasses are required, before handling other carcasses, to cleanse their hands with liquid soap and hot water and rinse them in clean water; their clothing must be of a light colour and of such material as to render them easily cleaned.

Rooms used for inedible products must be kept in an acceptably clean condition.

Finally, drawings and specifications for slaughterhouses are to be submitted to the Director of Veterinary Services for approval in advance of alterations and construction. The drawings must be complete with specifications and consisting of floor plans showing the location of the principal pieces of equipment in them 303/.

In Schedule C of the Meat Control (Export Slaughterhouse) Regulations, dated 6 October 1973 304/, detailed instructions are given for the operations that inspecting officers are obliged to carry out. All animals are to be inspected ante-mortem at arrival in the export slaughterhouse immediately before slaughter except in case of emergency. Any inspecting officer carrying out the ante-mortem inspection is required to notify in writing the officer in charge conducting post-mortem inspection of the reason why the animals have been classed as "SUSPECT".

Any animal showing on ante-mortem inspection a disease or condition that would necessitate condemnation of the carcass on post-mortem inspection must be tagged "CONDEMNED" 305/.

The post-mortem inspection must follow as soon as possible after the slaughter of the animal, except in cases of emergency slaughter 306/.

All organs are to be examined in detail in carcasses derived from animals marked "SUSPECT" during ante-mortem inspection. The carcasses derived from such animals are not to be passed fit for human consumption unless they have been proved by bacteriological examination to be free from organisms causing meat-borne diseases. Carcasses "RETAINED" for bacteriological examination are to be kept under lock and key until a final decision can be reached.

Chapter III of Schedule C of the 1973 Regulations establishes detailed rules for post-mortem inspection, referring to the parts to be inspected, the way inspection is to be carried out and includes a list of diseases that, if detected, entail the carcass being classified as unfit for human consumption.

In Schedule D of the same Regulations, the method is established for disposal of carcasses and meat classified as "condemned". Under Schedule F no meat intended for export may contain any additive or substance prohibited by the receiving country. All animals which have received any kind of antibiotics or chemotherapeutic agents within as many days prior to slaughter as may be determined by the importing country, are to be excluded from export unless the testing proves to be negative. The same principle shall be applied to animals which have received oestrogenic hormones prior to slaughter 307/.

Concerning the packaging of canned meats, the same regulations establish the following, among other rules: containers shall be cleaned thoroughly immediately before filling; all necessary precautions shall be taken to avoid handling of containers before sealing; to containers shall be thoroughly cleaned immediately after closing; careful inspection shall be made of containers, etc. 308/.

Schedule H of these Regulations deals with marking and labelling of meat and meat containers, while Schedule I is concerned with export stamps and certificates. It is interesting to point out that the inspecting officer in charge is authorized to issue certificates for shipments of inspected and passed meat to any foreign country. Export certificates are to be issued in serial numbers and in triplicate 309/.

Concerning the transport of meat, the Regulations dated 1976 310/ include standards of hygiene and the requirements for the construction of carriers or containers.

### Penalties

Regulation 12 of the Meat Control (Export Slaughterhouse) Regulations, 1973 provides that the Director of Veterinary Services may order the closure of any slaughterhouse in the event of failure to comply with any provision of these Regulations. Regulation 14 establishes that any person who is guilty of an offence under these regulations shall be liable to a fine not exceeding ten thousand shillings or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

### QUANTITATIVE LEGISLATION

Kenya is a country with the potential to become an exporter. However, in recent years, disaster of climate, and especially prolonged drought, as well as other external circumstances, have considerably limited exports.

Thus, despite the fact - as reported in section 2.3 of Part II - that Kenya 311/ enjoys a special agreement with the EEC, as part of the Convention of Lomé, giving her access to that Community's market for the export of fresh, chilled or frozen meat, with exemption from duty, subject to only 10 percent of the variable charge on imports from third-party countries, her actual exports to this market have been virtually non-existent for the reasons just stated 312/.

Drought has had a notable distorting effect on the Kenya home market, especially in producing an extraordinary supply of cattle for slaughter in set periods of time. The Government has had to deal with this situation by taking specific action on a number of occasions.



As far as international trade is concerned, such action is taken by the Kenya Meat Commission, which has a virtual monopoly in the field.

According to the terms of Section 7 of the Kenya Meat Commission Act 313/ the following, among other things, are the exclusive responsibility of the Commission:

- (i) the erection, establishment or operation of any abattoir, meat works, cold storage concern or refrigerating works ... either for export or for consumption within Kenya 314/; and
- (ii) the export or supply to ships in the port of Mombasa of fresh, chilled, frozen or canned beef 315/.

The Commission is competent to act as the importer and exporter of both livestock and dressed carcasses, whether frozen or not 316/.

Section 12 (2) and (5) of the Act empowers the Commission, with the approval or at the request of the Minister, to set up a stabilization fund to be utilized by the Commission for either or both of the following purposes:

- (i) to meet any losses due to decreased operations or temporary stoppage of work; or
- (ii) to stabilize the price of meat and other products dealt with by the Commission.

With regard to the current situation, it should be noted that the Commission - as mentioned in section 2.31 of Part II - is in considerable debt, and the shortage of ready cash and circulating capital is damaging its potential activities 317/.



## URUGUAY

### LEGISLATIVE TEXTS 318/

- Decree No. 460/978, adopting a system of control over the export of meat of all kinds. - 11 August 1978.
- Decree No. 675/978, approving National Regulations for the preparation, Storage and Marketing of Meat, by-products and Meat Products.
- Decree 671/978, approving the Official Regulations for Veterinary Inspection of Products of Animal Origin. - 27 November 1978.
- Act No. 14.855, establishing penalties for offences against the Executive's Regulations on Preparation, Storage and Marketing of Meat. - 15 December 1978.
- Act 15.079, establishing that it shall be the Executive to set sanitary and hygienic standards for premises exporting meat and its edible by-products. - 21 November 1980 – “Diario Oficial”, 9 December 1980.
- Decree 713/980, establishing Standards for the approval of Premises for the Preparation and Processing of Meat intended for Export. - 10 December 1980 - D.O. 21 January 1981.
- Decree 525/981, regulating Imports of meat, by-products and Derivatives intended for consumption or processing. - 9 October 1981 - D.O., 9 November 1981.
- Resolution of the Ministry of Agriculture and Fisheries delegating to the General Directorate of Veterinary Services authority to approve applications for the import of meat, by-products and derivatives intended for consumption or processing under the terms of the Decree of 9 October 1981. - 30 October 1981.
- Decree No. 175/982, establishing rules for declaring imports of animals and by-products, 20 May 1982 - D.O., 28 May 1982.
- Decree No. 338/982 establishing a system for the Inspection of imported Foodstuffs and Beverages, 22 September 1982. - D.O., 13 October 1982.
- Act No 15.065 setting up the National Meat Board (NMB) and establishing its assignments. - 27 July 1984. - D.O., 3 August 1984, page 290-A.

### QUALITATIVE LEGISLATION ON IMPORTS

#### Scope and general requirements

Article 2 of Decree 525/981, of 9 October 1981, regulating the import of meat, by-products and derivatives intended for consumption or processing 319/, establishes that importers must apply in writing for a permit to import to

the General Directorate of Veterinary Services, at least ten working days before the estimated date of entry of the merchandise into the country, and submit all the information required.

The General Directorate will then, on the basis of the sanitary standards in force in the countries of origin, quality of the services and premises for preparation and processing, and the level of the technological processes to which the products for import have been submitted, indicate the public health and hygiene requirements needed and report their implementation to the Ministry of Agriculture and Fisheries.

Such permits establish:

- (i) that there is a certificate to show that the requirements of the veterinary authorities of the country of origin have been complied with; and
- (ii) what means of transport is being used on the way to Uruguay and the date of arrival of the authorized merchandise 320/.

All importers of products affected by Decree 338/982 321/ are required to apply to the Uruguayan Technology Laboratory (UTL) for their inspection, with the purpose of obtaining a "trade certificate" entitling them to sell the merchandise in question on the home market. For this purpose the application must specify 322/:

- (a) trade description and characteristics of the merchandise;
- (b) amount and value;
- (c) invoice number and country of origin;
- (d) description (from the Tariff Nomenclature) and appropriate receipt for import dues paid;
- (e) place and date of entry into the country;
- (f) means of transport; and
- (g) location of the premises in which the merchandise is to be deposited.

The procedure established by Articles 10, 11 and 13 of Decree No. 338/982 is, briefly, as follows: once the merchandise has entered the country and the importer has requested inspection, the UTL proceeds to take a sample at the customs station. Once this has been done, the National Directorate of Customs may authorize its transfer to the deposit indicated by the importer, but may not declare it free for sale until the UTL has issued a trade certificate, which it is required to do within not more than 12 working days if the shipment complies with the technical regulations and the stamping and labelling requirements.

If the shipment does not comply with the technical regulations it must be either destroyed or re-exported within not more than 60 working days; and no appeal is allowed.

Article 4 of Decree No. 338/982 establishes the following minimum conditions that foodstuffs must comply with in order to obtain a “trade certificate”:

- (a) they must not constitute a health hazard; and
- (b) they must be fit for human consumption. Foodstuffs shall be deemed unfit if they have an off odour, are dirty, show signs of fermentation or prejudicial fermentative effects, are infested by parasites or have, as the result of processing, undergone changes or become such as to be no longer suitable for human consumption.

#### Inspection: premises and other conditions

Article 4 of Decree No. 525/981, of 9 October 1981, lays down that the National Customs Directorate shall allow entry of meat, by-products and derivatives into the country only on receipt of the relative resolution issued by the Ministry of Agriculture and Fisheries 323/. Such merchandise may not be removed from controlled deposit before passing a sanitary and hygiene test carried out by personnel of the Animal Industry Section of the Ministry of Agriculture and Fisheries, in accordance with the regulations in force. Inspection must take place within 48 hours of the arrival of the merchandise in the country 324/.

The Ministry of Agriculture and Fisheries reserves the right, whenever it deems necessary, to have checks carried out on processing establishments in the countries of origin, with the collaboration of the local health authorities 325/.

#### Offences and penalties

Failure to re-export or destroy merchandise within the time limit set out in Article 13 of Decree No. 338/982, or their sale on the home market without prior issue of a trade certificate 326/, incur the penalties provided for in the National Food Regulations 327/.

The same Article 13 down that “in the case of dealing with merchandise prejudicial to health or unfit for human consumption the appropriate judicial proceedings shall also be instituted”.

Article 7 of Decree No. 525/981 328/ lays down that products 329/ brought into the country without abiding by its terms shall, without further formalities being required, be confiscated and the importing firms have no right whatever to compensation or appeal, irrespective of any judicial penalties that may apply.

### QUALITATIVE LEGISLATION ON EXPORTS

#### Scope and general requirements

In this section reference is made to Decree No. 713/980 of 10 December 1980, issued in application of Act No. 15.079 of 21 November 1980, which lays down that the Executive shall dictate public health and hygiene standards for establishments exporting meat or edible by-products.

Article 1 of the Decree lays down that all establishments for preparation or processing of meat, by-products and derivatives for export must have been approved by the Ministry of Agriculture and Fisheries. These products are authorized for export only if they proceed from establishments approved by the Ministry of Agriculture and Fisheries in accordance with the aforementioned Decree.

Article 2 of the same Decree lays down that these establishments must submit the appropriate application for approval to the Animal Industry Section, which then forwards it to National Meat Board. In this way each of the two (Article 3), acting either together or separately, after carrying out such inspections as they deem necessary for ascertaining whether the establishment concerned complies with all Statutory requirements, forward the relative antecedents to the Ministry of Agriculture and Fisheries which, in the light of the information from the Animal Industry Section and NMB, proceeds to grant approval for production intended for export.

Article 1 of Decree No. 460/978, which establishes a system of control over meat of all kinds, lays down that such exports, together with by-products and meat products shall be subject to prior control of trade quality by the National Meat Board. Such control:

- (i) establishes quality standards and technical specifications, with the purpose of ensuring that exports maintain the minimum acceptable trade standards, on the basis of international regulations that apply generally; and
- (ii) ascertains, for each shipment, that the final product meets the said minimum standards and meets the trade specifications agreed for each deal, through applying methods based on statistical control and supplementary checks during the various stages of production and marketing.

#### Inspection: premises and other conditions

Article 7 of Decree No. 731/980, of 10 December 1980, expressly lays down that establishments where meat and its by-products and derivatives are prepared and processed, and deboning and cutting rooms, chilling, freezing and storage rooms for products intended for export must comply, at minimum, with all the public health and hygiene standards established by Decree No. 671/978, of 27 November 1978 330.

As concerns approval of establishments for the preparation and processing of meat, provided for in Decree No. 713/980, the bodies responsible for making such inspections as they deem necessary to ascertain whether the establishment in question complies with all the requirements of this Decree shall be the Animal Industry Section and the National Meat Board, working either together or separately 331.

## QUANTITATIVE LEGISLATION

Uruguay is another traditional meat exporting country which - according to information provided by GATT in its report on The World Market for Bovine Meat, dated 13 December 1984 - had shown (during the last year for which figures are available - 1984) big reductions in beef and veal exports 332/. Specifically, during that year, exports of frozen beef and veal - which make up about 90 percent of the exports - declined by 35 percent 333/. It is only reasonable that, under these circumstances, bodies such as the National Meat Board should have to play a fundamental role in overcoming the difficulties of such specific circumstances. Act No. 15.065 of 27 July 1984 334/ describes the National Meat Board as “a non-state body, being a legal entity for making proposals for, evaluating and implementing National Meat Policy, which shall be laid down by the Executive, and states that coordination shall be through the Ministry of Agriculture and Fisheries” 335/.

The Board has as its objectives the promotion, regulation, coordination and vigilance over activities of production, processing, marketing, storage and transport of beef and veal, as well as lamb and mutton, pig, horse and goat meat, poultry, rabbits and small game, edible offal, and their by-products and meat products 336/.

Article 3 of the Act lists the assignments of the NMB to enable it to achieve its objectives, notably:

- (i) as far as marketing is concerned:
  - (a) establishment of guidelines for trade activities by compiling and distributing statistics and market studies for the increase of export markets and the coordination of policy for freightage and storage;
  - (b) registration, prior authorization and inspection of export firms, in order to obtain optimal standards for establishing and protecting the national image among purchasing markets and establishing the orientation prices. The Board may act as the direct business agent for exports whenever its intervention meets the requirements of the purchasing markets or fulfills any other requirements of general interest;
  - (c) establishment of quality standards and technical specifications designed to guide exporters to acceptable trade standards; the organization and implementation of official control of the commercial quality of exports in the sector and establishment of specific systems for the quality certifications requested by the exporters on each occasion. Prior authorization and constant official control of commercial quality shall be indispensable requirements for approval to export;

- (d) approval, registration and control of means of transport;
  - (e) approval, registration and control of wholesale meat markets and butcher's shops;
  - (f) organization and control of movements, place of origin and destination of products;
  - (g) assessment, application and exaction of penalties for violation of laws and regulations regarding preparation and marketing at home and abroad; and
  - (h) approval of methods of classification and standardization of products;
- (ii) as regards processing:
- (a) registration and control of preparation and processing of products;
  - (b) issuing guidelines and monitoring of civil, industrial, and prior preceptive authorization of plans for construction, enlargement, reconstruction and modification of establishments;
  - (c) organization of controls in technological matters; and
  - (d) vigilance over the running of firms in the sector, producing financial and cost analyses at individual and overall levels;
- (iii) and in general:
- (a) advising the Executive and each other government body in advance and preceptively as to every aspect of matters for which it is responsible;
  - (b) undertaking investigation and assessment of firms in the sector, in their commercial, economic, technological aspects and others of general interest tending towards greater efficiency and better training in the private sector;
  - (c) promoting all civil and commercial activities conducive to the achievement of its objectives; and
  - (d) carrying out any other assignments allotted to it by the Executive.

Furthermore, the National Meat Board may 337/:

- (i) inspect the premises, equipment and other properties of industrial or trade firms in the sector, and demand to see ledgers, documents and commercial correspondence and hold them for a period of up to thirty days, extendable with the consent of the firm in question or by judicial authorization;



- (ii) order the keeping of registers in which must be inscribed the names of industrial and commercial firms that intervene at the different stages, administer these and order the suspension or cancellation of inscribed names in case of non-compliance with the laws and regulations applicable according to the terms of Act No. 15.065;
- (iii) require from individuals or bodies corporate whose industrial or commercial activities are covered by the said Act, presentation of sworn declarations as to stocks, costs, prices, sales and any other statistics or information it deems necessary for the achievement of its purposes, and check the accuracy of the same;
- (iv) establish uniform book-keeping methods with the purpose of obtaining balance sheets that have been compiled on homogeneous lines;
- (v) coordinate with Municipal and National Authorities, implementation of their inspection services with the purpose of attaining more efficient control; and
- (vi) require the assistance of the police whenever this is needed for carrying out its assignments.

As regards management and administration of the NMB, Article 9 of Act No. 15.065 lays down that it shall be controlled by a Committee of six members plus two appointed by the Executive, one on nomination by the Ministry of Agriculture and Fisheries and the other to act as Vice-President, and four representatives of the private sector: two representing farmers, or one the Uruguyan Rural Association and the other the Rural Federation, and two the industrial sectors. These representatives of the private sector shall be appointed by the Executive on nomination by the farmers' or industrialists' unions, having ascertained that such nominations are genuinely representative of these activities. For each representative an alternate member shall be nominated. Each alternate member shall have the right to attend and be heard at meetings of the Executive Committee and the right to vote in the absence of the member for whom he alternates. The Executive shall proceed to nominate ex officio representatives of the corresponding private sector, whenever the private concerns have failed to nominate their delegates within thirty days of this having been requested.

It is also important to know what income Act No. 15.065 establishes for the NMB, namely:

- (i) that up to this date assigned to the National Meat Board and Administrative Marketing Commission 338/, viz:
  - (a) nought point six percent (0.6%) of the net price FOB of meat exports of the species included in Act No. 15.065, their offals, by-products and meat products, to be credited by the Banco de la República Oriental del Uruguay to an account at the Board's disposition;

- (b) nought point seven percent (0.7%) of the selling price of meat and offals from the animals slaughtered on authorized premises and intended for the home market;
- (ii) the amount of tariffs established by the NMB for the loan or use of its services;
- (iii) the amount from fines and surcharges exacted in accordance with the regulations in force;
- (iv) income from and interest on its possessions; and
- (v) any inheritances, bequests or donations it may receive 339/.

This section began with a reference to beef and veal exports from Uruguay in 1984; and it ends with what - at the time of writing - is no more than a forecast: in 1985 340/ exports are likely to be reduced again, down to 128,000 tons, or approximately 15 percent less than the previous year (150,000 tons in 1984).

## ANNEX I

### GUIDELINES FOR INTERNATIONAL COOPERATION IN THE LIVESTOCK AND MEAT SECTOR

(As adopted by the FAO Intergovernmental Group on Meat at its Sixth Session, Rome, October 1976)

#### A. General objectives of international cooperation

The broad objective of international cooperation in the livestock and meat sector should be to secure a balanced expansion in meat production and consumption - particularly in countries where animal protein deficiency exists - and trade. The attainment of this objective should be beneficial to both producers and consumers and should create equitable conditions for sustaining the development efforts of developing countries. In particular, measures taken should:

(i) support the efforts of developing countries to develop their livestock and meat industry through integrated technical assistance, aid and investment programmes, including genetic improvement, research, training and extension, so as to help develop fully their production potential to satisfy the growing domestic demand for meat. Such development efforts should pay particular attention to promoting livestock production at the small farmers' level and to improving their standard of living, taking into consideration the development of indigenous technology and the utilization of local resources;

(ii) improve consumption and nutritional levels and promote the efficiency of meat production and marketing, and thereby farm incomes, as well as the overall conditions of international trade in meat;

(iii) take into account the interests of both exporting and importing countries and the special contribution which the livestock and meat sector makes to the development process of developing countries;

(iv) aim at mitigating the impact of market instability on the incomes and foreign exchange earnings of countries engaged in international trade in livestock and meat, and in particular of the developing countries;

(v) promote greater participation of developing countries in the international trade of meat.

#### B. National measures

(i) Since policies affecting the profitability of cereals production may have important influences on the livestock sector, governments should endeavour to ensure that such policies and policy instruments avoid any destabilizing effects on domestic and external livestock and meat economies, and are without prejudice to the meat imports especially from developing countries.

(ii) In the event of domestic oversupply, measures for increasing the demand and consumption should be given priority before resorting to measures designed to stimulate exports.

(iii) Improvements in the processing and marketing of meat should be encouraged as a means of facilitating a continuing adjustment of meat supply and demand and of reducing market instability and of expanding overall production and consumption.

(iv) In order to promote greater harmonization among national meat policies, the Intergovernmental Group on Meat should periodically review national policies affecting production, consumption and international trade of meat.

### C. Trade policies

(i) Governments should endeavour to ensure that the consequences of instabilities arising in national livestock and meat industries do not harm the livestock sectors of other countries and in particular those of developing countries.

(ii) To the extent that an overall world imbalance between demand and supply of meat is due to developments within the livestock and meat industries of countries engaged in international trade in these products, an exchange of views should take place among governments of the countries concerned with a view to assuring under satisfactory conditions, both outlets for the production of exporters and continuity of supplies to meet requirements of importers. Such exchange of views should take full account of the need for developing countries with production potential to expand output and exports at remunerative prices as part of their development efforts.

(iii) In order to safeguard the interests of meat exporting and importing countries, consultations should take place in the appropriate manner and fora and in particular within GATT, among governments of the countries concerned whenever either side intends to take action which could cause harmful interference with the normal patterns of international trade or which could adversely affect the development efforts of developing exporting countries.

(iv) When trade restrictions and other measures of a temporary and exceptional nature are introduced by importing countries, they should pay particular attention to safeguarding the development interests of meat exporting developing countries; and to this end, when necessary, special and preferential arrangements should be made by developed countries in favour of imports from developing countries.

(v) When accumulated stocks of meat are disposed of on concessional terms in foreign markets, such disposals should be carried out in accordance with the FAO Principles of Surplus Disposal and Consultative Obligations.

(vi) Where feasible and economically advisable, governments should consider entering into longer-term contracts for exports and imports of livestock and meat.

(vii) Importing countries should provide for the uniform and consistent application over time of their animal health and meat hygiene regulations to imports from all sources.

(viii) Governments should use the opportunity offered in the Intergovernmental Group on Meat for the regular exchange of information on national measures affecting international trade and for consultations on possible remedial action when any special difficulties arise.

## ANNEX II

### UNCTAD RESOLUTION

#### COMMODITY ISSUES

#### Resolution 153 (VI): The Common Fund for Commodities

#### The United Nations Conference on Trade and Development

Recalling General Assembly resolutions 35/60 of 5 December 1980, 36/143 of 16 December 1981 and 37/211 of 20 December 1982 on the signature and ratification of the Agreement Establishing the Common Fund for Commodities;

Recalling also General Assembly resolution 37/133 of 17 December 1982 on the identification of the least developed among the developing countries;

Reaffirming the importance of the Common Fund as a major element of the Integrated Programme for Commodities;

Bearing in mind that the period for the fulfilment of the requirements for entry into force of the Agreement Establishing the Common Fund for Commodities has been extended until 30 September 1983, pursuant to article 57, paragraph 1, of that Agreement;

Taking note of the progress report of the Secretary-General of UNCTAD on the signature and ratification of the Agreement;

Expressing concern at the slow pace of progress in the signature and ratification of the Agreement;

Welcoming the pledges already announced for voluntary contributions to the Second Account of the Common Fund;

Noting with appreciation the offer made by the States members of the Organization of Petroleum Exporting Countries, as well as by Norway and the European Economic Community, to pay the full capital subscriptions of least developed countries and a number of other developing countries concerned;

Recalling the provisions of the Agreement regarding the financing of international buffer stocks and internationally coordinated national stocks through the First Account;

Reaffirming the provisions of article 18, section C, paragraph 3(c), of the Agreement, which envisages that the operation of the Fund in the Second Account may take the form of loans and grants to, inter alia, a Member of the Fund designated by an international commodity body (ICB) for projects in conformity with the other pertinent provisions of that article;

Empahsizing the importance of the early entry into force of the Agreement and of the early beginning of operations of the Fund;

1. Reaffirms its support for the Common Fund for Commodities and for the entry into force of the Agreement without any further delay;
2. Expresses its appreciation of the prompt action taken by those States members that have already ratified the Agreement;
3. Urges all States that have not yet done so to sign and ratify the Agreement without any further delay;
4. Urges that all efforts be made in order that the operations of the Fund begin as soon as possible after the Agreement enters into force, and preferably by 1 January 1984;
5. Expresses the hope that least developed countries and other developing countries whose ratification of the Agreement Establishing the Common Fund for Commodities has been delayed by their inability to pay their capital subscriptions to the Fund may now be able to ratify the Agreement by taking advantage of the offers made by the States members of Community, and any similar offers that may be forthcoming, and requests the Secretary-General of UNCTAD to use his good offices in this regard, if necessary;
6. Invites Governments parties to international commodity agreements or arrangements (ICAs) providing for either international buffer stocks or internationally coordinated national stocks to consider as soon as possible ways and means of associating their ICOs with the Common Fund for the purposes of the First Account;
7. Invites all countries, particularly developed countries, which have not yet announced specific pledges of contributions to the Second Account of the Fund to do so at an early date, with a view to meeting the agreed target for voluntary contributions;
8. Invites Governments members of intergovernmental bodies which may meet the eligibility criteria for ICBs referred to in the Agreement to consider projects appropriate for financing through the Second Account, in order that appropriate decisions can be taken as soon as possible after the entry into force of the Agreement;
9. Requests the Secretary-General of UNCTAD to submit, in conformity with paragraph 7 of General Assembly resolution 37/211 of 20 December 1982, a report on the progress made towards the Agreement's entry into force to the thirty-eighth session of the General Assembly;
10. Requests the Preparatory Commission for bringing the Common Fund into operation to finalize expeditiously its work on administrative, legal, procedural, operational and financial matters.





## NOTES

- 1/ See H. Jasiorski, H: World animal production and the prospects for future development, in Anabolic in animal production, Office International des Epizooties, Paris, 1983, page 21.
- 2/ See FAO, "AGRICULTURE: TOWARD 2000", Rome 1981, page 109.
- 3/ Ibidem, page 110.
- 4/ Also called "trade organization arrangements" or "organized free trade".
- 5/ Regarding the opportunities and limitations of the meat trade among the developing countries in general see: "Trade in livestock and meat among the developing countries", CCP: ME 83/4, FAO, Rome 1982.
- 6/ To a much greater extent than production and consumption.
- 7/ Excluding internal trade between EEC Member States.
- 8/ World bovine meat exports (in thousands of tons) were: 4,989 in 1973; 5,673; in 1977; and 6,296 in 1982. For pigmeat they were: 2,479 in 1972; 2,601 in 1977; and 3,494 in 1982 (see "The World Meat Economy", CCP: ME 85/3, FAO, Rome 1985).
- 9/ In US dollars.
- 10/ See the conclusions to "The Current World Meat Situation and short-term", CCP: ME 85/2, FAO, Rome, 1985).
- 11/ Including, of course, certain religious and cultural limitations.
- 12/ See Note 8.
- 13/ The most consistent tariff reductions for agriculture were achieved by the Kennedy Round (1964-67) and the Tokyo Round (1973-79).
- 14/ From 3 cents to 2 cents a pound.
- 15/ Such, for example, is the case in Latin American Countries (See: Pedro Mendieve, EL NUEVO PROTECCIONISMO COMERCIAL Y EL DESARROLLO EN AMERICA LATINA, "CEPAL" E/CEPAL/L 184, October 1978, page 11).
- 16/ See: L. González Vaqué, "Problemática Jurídica del Comercio Exterior de la Carne y de los Productos Cárnicos", a report presented at the III Reunión Iberoamericana de la Industria Alimentaria held at Barcelona (Spain), 15 May 1984.
- 17/ Since EEC prices are in general considerably higher than those of the international markets, the costs of the European Agricultural Guidance and Guarantee Fund (EAGGF) for exports of beef and other meats as well as for storage and other ways of maintaining prices increased substantially (See: "The World Meat Economy: Examination and long-term review and outlook", CCP: ME/3, FAO, Rome, 1985).

- 18/ Special reference is made in section 1.2.5 of this Part I to animal health regulations, which are a substantial feature of this Survey, and which we should otherwise in the normally way be mentioned here in this section since they are the most important non-tariff technical measures influencing the trade in cattle products, especially livestock and meat.
- 19/ The countries trading in the zero health risk zone are the United States, Canada, Taiwan, Japan and Korea as importers and Australia, New Zealand and Central American Countries as exporters. In the accepted health risk zone the European Economic Community, East European Countries and the Soviet Union are the purchasers and Argentina, Brazil and Uruguay the sellers (See: D. Almirón, EL PROTECCIONISMO EN EL COMERCIO INTERNACIONAL DE CARNE VACUNA, "Integración Latinoamericana", August, 1983, page 44).
- 20/ See paragraph 7 of the GATT report on "The World Market for Bovine Meat", Geneva, 1985.
- 21/ FAO (and especially its Intergovernmental Group on Meat), GATT and UNCTAD have worked on the economic cooperation between developing countries.
- 22/ See: "Trade in livestock and meat among the developing countries", CCP: ME 83/4, FAO, Rome, 1983.
- 23/ Joint Ventures.
- 24/ See the chapter on "Recommendations" in document CCP: ME 83/4.
- 25/ Especially the second, which is very much involved with this problem.
- 26/ Not only restrictively, although the main problem is protectionism. The fact that certain measures to promote or encourage exports taken by one country may have a negative effect on those of another must also be taken into consideration.
- 27/ It is curious to note that it was precisely within the EEC that legal doctrine developed the principle of "free circulation of goods" in the greatest detail and subtlety, exhaustive study of the new forms of protectionism. Thus, for example, A. Mattera (see LES NOUVELLES FORMES DU PROTECTIONISME ECONOMIQUE ET LES ARTICLES 30 ET SUIVANTS DU TRAITE CEE, "Revue du Marché Commun", No. 267, 1983, pp 252 ff) "detected" about thirty measures with the equivalent effect of quantitative restrictions, according to what was provided for by the Treaty of Rome. Among them may be quoted here: trade regulations technical standards, national regulations on prices and trade margins, restrictions applied by Member States or Governments, import and export "formalities" and certificates of origin, frontier controls and double controls, the procedures for payment of customs duties, the branding of the provenance of products, reservation on national products which have only descriptions that are neither denominations of origin nor indications of provenance, "buy national" campaigns, payment and credit

restrictions, exclusive rights and industrial and trade properties, tied operations, provisions concerning the utilization of products, import calendars, technical or professional conditions required on the part of the importer, conditions tied to the concession of aid, parallel imports, disproportionate penalties, measures controlling publicity, measures seeking guaranteed prices, restrictive obligations on imported products with reference to exhibitions and trade fairs, inadequate or excessive time limits, regulations forbidding the use of national staff or equipment, reciprocity conditions, etc. It should also be pointed out that all the measures or barriers refer to trade between member States. This does not prevent such champions of protectionism - whose powers of "imagination" have come through with flying colours - from finding one way or another of "applying" them to world trade.

28/ See Alain Gérard, AN OUTLINE OF FOOD LAW, FAO, Rome 1975 para. 1.1.1.

29/ This general pattern may, in certain countries, vary considerably in detail.

30/ See section 2.2.2.

31/ Some writers prefer to use the term adaptability instead of flexibility. Dr. Alain Gérard is a case in point. On his OUTLINE OF FOOD LAW already cited (in note 28 above) he lists the "requirements" which food law must satisfy. These are protection, efficacy and adaptability. This particular adaptability is to some extent a result of the interdisciplinary nature of food law: in principle the relative stability implied by all legal measures appears incompatible with the need for rapid and repeated adaptation that is typical of food law. The more detailed the content of any positive legislative measure, the more frequently is it likely to need revision. The competent authorities, on the other hand, need to be able to update technical requirements without having to make on each occasion an assessment of the permanent principles of legislation.

32/ See W.R. Moses and J.J. Henderson Guidelines for developing an effective food control system, FAO/WHO, Rome, 1976, page 24.

33/ See the article by Sabine Lecranier entitled LES ARTICLES 30 ET SUIVANTS CEE ET LES PROCEDURES DE CONTROLLE PREVUES PAR LA DIRECTIVE 83/189/CEE ( Revue du Marché Commun, No. 283, January 1985, page 6 ff) for a detailed analysis of the system of cross-referencing to otherwise unrelated provisions.

34/ Curiously enough, the advantages adduced in favour of the principle of cross-referencing to other rules are highly similar to those furnished in favour of delegation of powers to make regulations. As an example we list below those defined in a paper written by a group of experts of the Economic Commission for Europe of the United Nations, in May 1973:

- (i) simplification and acceleration of the work of legislation;
- (ii) easier elimination of trade barriers;

- (iii) the possibility of finding out, with less difficulty, the results of the work of the International Organization for Standardization;
- (iv) the possibility of changing technical regulations more easily in keeping with technological progress;
- (v) a wider application of technical regulations because technical personnel are, in their daily routine, more accustomed to applying technical rules than laws as such;
- (vi) the possibility of concentrating all technical regulations into a single systematically-unified collection when the method or methods is/are applied regularly; and
- (vii) a better application of national technical regulations and the possibility of avoiding divergences in the national rules of different countries if all those interested participate in their drafting.

See Isabel Segura: REMISION LEGAL POR REFERENCIA A UNA NORMA EN DISPOSICIONES REGLAMENTARIAS: CONSIDERACIONES EN TORNO A SU VALIDEZ, an S.E. AEDA paper TEM/5/85, Madrid, 1985).

35/ It is notorious that the regular updating of food law also depends on the concerted international formulation of these rules. Only by regular comparison of methods, concepts and scientific data is it possible to prevent the law becoming obsolete and to avoid a wastage of effort and resources. Accordingly, the rules regarding the formulation and enforcement of food law must be so conceived as to permit the ready incorporation into a national law of technical and scientific requirements adopted at the international level (See: Alain Gerard AN OUTLINE OF FOOD LAW, FAO, Rome 1975, para. 1.3.3). Numerous examples could be cited of reference being made in a given enactment to rules or standards to be found in other Examples of the legislation analysed in this Survey. We will, however, refer to an atypical case in which are present the characteristics of being, at the same time, a generic reference, alternative in nature and a rejection of international rules. Article 7 of Decree No. 338/982 of Uruguay, establishing a system of inspection for food and beverage imports, dated 22 September, 1982 (Published in the Diario Oficial on 13 October 1982) lays down: "The Uruguayan Technological Laboratory will (in controlling, analysing and certifying) refer to the pertinent Uruguayan food regulations. In the case of products that are not included in the national technical regulations, the rules of international organizations or foreign institutions of recognized competence and prestige in standardization shall be used".

36/ The powers of the Nation (in accordance with Argentinian political and juridical terminology) invoked in the preamble, and amply in the provisions of the text, are based on the constitutional power to control interprovincial and international trade, this being considered inextricably linked to law enforcement in respect of such trade. The need for uniformity, in a matter that is of such overriding importance as to affect the country's foreign trade, has been claimed for a very long time by the Federal Authorities and, in conformity with what is stated above, the power conferred by the principal Act for laying down rules common to all jurisdictions was used. Act No. 18.811 was therefore passed to extend the powers of the Nation to cover slaughterhouses and processing establishments even if their products were to be traded within the boundaries of a province or of the Federal Capital, and did not enter into interprovincial trade. (See: Emilio E. de Arenaza, LA REGULACION JURIDICA DE LOS RECURSOS NATURALES AGRARIOS, Buenos Aires, 1983).

- 37/ Article 2 of Act No. 22.377.
- 38/ These powers imply a clear out supremacy of national-level enforcement. The provincial authorities, without prejudice to these - national level - powers, establish supplementary rules and regulations, decide what to do with the proceeds of fines, apply penalties and lay down what procedures shall be followed by way of safeguarding powers not delegated by the provinces making up the Nation, which reserve to themselves the administration of justice and procedural rules within their respective jurisdictions. Thus penalties are imposed by the local health authority, after summary proceedings and in accordance with the procedural rules in force in the province, without prejudice to subsequent revision by a higher-level local juridical authority - thus ensuring due process in accordance with the Constitution.
- 39/ The legal system also allows the National Executive to establish requirements for construction and sanitary engineering, hygiene and sanitary engineering, hygienic and sanitary aspects, preparation, processing and transportation of meat, meat products, by-products and derivatives of animal origin intended for local consumption within the province itself, the Federal Capital and National Territory of Argentina. Transportation must proceed at all times with the appropriate and necessary health documents (most of the information concerning this example - which considers the delegation of the power to make regulations in a federal system - is taken from an article by Emilio E. Arenaza, already quoted in Note 36 and included in: "DERECHO AGRARIO Y RECURSOS NATURALES", published by Abeledo-Perrot, Buenos Aires, 1983, pages 116 ff).
- 40/ Under quantitative legislation - as will be seen - "regulations" are resorted to.
- 41/ See Article 100 of the EEC Treaty.
- 42/ See Act No. 67 of 1977, the Australian Meat and Live-stock Corporation Act, of 16 June 1977 - Acts 1977, No. 67 (A summary of this Act was published in the FAO Food and Agricultural Legislation, Vol. XXVII, No. 1, June 1978, page 20 ff).
- 43/ The Laws of Kenya, Chapter 363. Revised edition, 1972. Separate publication.
- 44/ Of 27 July 1984 (Diario Oficial), 3 August 1984, page 290-A).

- 45/ Community regulations confer rights and obligations on particular States which may be invoked directly before their respective national courts. As a general rule, they are applicable 20 days after publication in the Official Journal of the Communities, unless another date for coming into force is set expressly.
- 46/ Report on the Eleventh Session of the FAO Conference (1961) paragraphs 258-263, Resolution 12/61 and annex B (Statutes of the Codex Alimentarius Commission).
- 47/ Resolution E.B., 29 R., 23 January 1962.
- 48/ Concerning the legal efficacy of Codes of this sort in general the following can be consulted:
- J. Calais-Auloy and others, IMPLEMENTING THE CONSUMER-SUPPLIER DIALOGUE THROUGH SOFT LAW, "Journal of Consumer Policy", Vol. 7, No. 2. Special publication, June 1984, page 111 ff.;
  - Emmanuel Decaus, LA FORME ET LA FORCE OBLIGATOIRE DES CODES DE BONNE CONDUITE, "Annuaire Francias de Droit International", CNRS, 1984, page 81 ff.).
  - J.F. Pickering and D.C. Cousins, CORPORATE REACTIONS TO VOLUNTARY CODES OF PRACTICE: RESULTS OF A SURVEY (UNITED KINGDOM), "Journal of Consumer Policy", Vol. 6, No. 1, 1983, page 37 ff. And, especially, with reference to the Codex Alimentarius, see ALINORM 68/7, "Codes of Practice in Relation to the Codex Alimentarius", FAO/WHO, 1968.
- 49/ See Alain Gerard, AN OUTLINE OF FOOD LAW, FAO, Rome, 1975, paragraph 3.1.2.a.
- 50/ For further information on the Codex Alimentarius Commission see its Procedural Manual (Fifth Edition) Rome, 1981.
- 51/ CAC/RCP 11 - 1976.
- 52/ See Section I (SCOPE) of the above Code.
- 53/ Ibidem, Section II (DEFINITIONS).
- 54/ Ibidem, Section III.
- 55/ Ibidem, Section IV.
- 56/ Ibidem, Section V.
- 57/ Ibidem, No. 37, a, b, d, e, f, g, and h.
- 58/ If blood is intended to be used in food preparation, it should be collected and handled hygienically.

- 59/ CAC/RCP 11-1976, Second Edition, No. 38.
- 60/ Ibidem, No. 39.
- 61/ Ibidem, No. 40.
- 62/ Ibidem, No. 42.
- 63/ Ibidem, No. 43.
- 64/ Ibidem, No. 44.
- 65/ No. 15 of CAC/RCP 12-1976.
- 66/ CAC/RCP 13-1976. Also adopted by the Commission at its Eleventh Session held in March and April 1976.
- 67/ See No. 21 of the above Code.
- 68/ Establishment is defined in the Code (No. 9) as: “any premises approved and registered by the controlling authority in which meat products are prepared, processed, handled, packed or stored”.
- Abattoir, for the purpose of RCP 11-1976, Section II, No. 1, “means premises approved and registered by the controlling authority used for the slaughter of animals for human consumption”.
- 69/ See No. 25 of the same Code.
- 70/ Ibidem, No. 46.
- 71/ Ibidem, No. 51.
- 72/ At the time of writing this it is still under discussion (See: ALINORM 85/32, FAO, Rome, 1985).
- 73/ Included in Section III (Principles and Objectives) of the Code [See: ALINORM (as above)].
- 74/ Ref. CAC/RCP 20-1979.
- 75/ Ibidem, Preamble, paragraph (c) of the second series of consideranda.
- 76/ Ibidem, Article 7.1.
- 77/ Author's underlining.
- 78/ This provision has to be considered in relation to the objectives of the Code, as set out in the “Preamble”, paragraph (e) of which reads: “Food legislation and food control infrastructures are not sufficiently developed in many countries to enable adequate protection of their food imports and prevent the dumping of sub-standard and unsafe foods”. (For more information about this Code and its application see: ALINORM 83/38, “Report on the Situation concerning Application of the Code of Ethics for International Trade in Food”, FAO/WHO, Rome, 1983, and G.O. Kermode, THE FAO/WHO CODE OF ETHICS FOR INTERNATIONAL TRADE IN FOOD, “CTC Reporter”, No. 15, Panama, 1983, page 40 ff.).

79/ Although the Arrangement covers only bovine meat and meat products, interchange of information and monitoring extend to other kinds of meat.

80/ See Article V of the above Arrangement establishing - among other things - that: "The (International Meat) Council shall comprise representatives of all participants to the Arrangement and shall carry out all the functions which are necessary to implement the provisions of the Arrangement". Whereas Article IV reads as follows:

"Article IV

Functions of the International Meat Council

and Co-operation between the Participants to this Arrangement

1. The Council shall meet in order to:
  - (a) evaluate the world supply and demand situation and outlook on the basis of an interpretative analysis of the present situation and of probable developments drawn up by the secretariat of the Arrangement, on basis of documentation provided in conformity with Article III of the present Arrangement, including that relating to the operation of domestic and trade policies and of any other information available to the secretariat;
  - (b) proceed to a comprehensive examination of the functioning of the present Arrangement;
  - (c) provide an opportunity for regular consultation on all matters affecting international trade in bovine meat.
2. If after evaluation of the world supply and demand situation referred to in paragraph 1(a) of this Article, or after examination of all relevant information pursuant to paragraph 3 of Article III, the Council finds evidence of a serious imbalance or a threat thereof in the international meat market, the Council will proceed by consensus, taking into particular account the situation in developing countries, to identify, for consideration by governments, possible solutions to remedy the situation consistent with the principles and rules of GATT.
3. Depending on whether the Council considers that the situation defined in paragraph 2 of this Article is temporary or more durable, the measures referred to in paragraph 2 of this Article could include short-, medium-, or long-term measures taken by importers as well as exporters to contribute to improve the overall situation of the world market consistent with the objectives and aims of the Arrangement, in particular the expansion, ever greater liberalization, and stability of the international meat and livestock markets.
4. When considering the suggested measures pursuant to paragraphs 2 and 3 of this Article, due consideration shall be given to special and more favourable treatment to developing countries, where this is feasible and appropriate.



5. The participants undertake to contribute to the fullest possible extent to the implementation of the objectives of this Arrangement set forth in Article I. To this end, and consistent with the principles and rules of the General Agreement, participants shall, on a regular basis, enter into the discussions provided in Article IV:1(c) with a view to exploring the possibilities of achieving the objectives of the present Arrangement, in particular the further dismantling of obstacles to world trade in bovine meat and live animals. Such discussions should prepare the way for subsequent consideration of possible solutions of trade problems consistent with the rules and principles of the GATT, which could be jointly accepted by all the parties concerned, in a balanced context of mutual advantages.

6. Any participant may raise before the Council any matter affecting this Arrangement, inter alia, for the same purposes provided for in paragraph 2 of this Article. The Council shall, at the request of a participant, meet within a period of not more than fifteen days to consider any matter affecting the present Arrangement.

81/ Information from the report on “The World Market for Bovine Meat”, published by GATT, as at 13 December, 1984. This is the fifth annual report and it covers the situation in the market for bovine animals and meat principally in 1984, containing estimates for the second half of the year 1984, containing estimates for the second half of the year and for the year 1984 as well as forecasts for 1985. To the extent permitted by the data available, it gives information on cattle numbers, slaughter levels, production, prices, imports, consumption and exports of bovine animals and meat.

82/ See the report quoted in the note above.

83/ Nevertheless, up to the time of writing (information from the Report on the 11th Session of the Intergovernmental Group on Meat, held in Rome February-March 1985) this Working Group has held a number of sessions but has not yet been able to put forward proposals for submission to the International Meat Council.

84/ See the text of the Arrangement, published by the GATT in 1979 and Luis Gonzalez Vaqué, FREE MOVEMENT OF GOODS IN INTERNATIONAL TRADE, “World Market” No. 237, Madrid, November 1981, page 3 ff.

85/ Referring not only to meat but also to jute, vegetable oils, oilseeds, hard fibres and banana trees.

86/ See: CCP:ME 85/6, “Follow-up to UNCTAD Resolution 153 (VI) on the Common Fund for Commodities”, FAO, Rome, 1985.

87/ The Second Account is regulated by Article 18 of the Constitutive Agreement of the Common Fund for Commodities (TD/IPC/CF/CONF/24, 29 July 1980).

- 88/ The complete text of this Resolution is included as Annex II to this Survey.
- 89/ In view of the delay in the coming into force of the Common Fund, the UNCTAD and FAO Secretariats agreed to contact multilateral and bilateral donors since - up to the time of writing of this Study - funds were available to cover almost 20 percent of the total cost of the projects planned for Africa and 15 percent of those for Latin America.
- 90/ According to a communication from the Representative of the UNCTAD to the Eleventh Session of the Intergovernmental Group on Meat of the Committee on Commodity Problems, FAO, Rome, 25 February - 1 March 1985.
- 91/ See above note.
- 92/ See section C(vii) of the GUIDELINES FOR INTERNATIONAL COOPERATION IN THE LIVESTOCK AND MEAT SECTOR, approved by the FAO Intergovernmental Group on Meat at the Sixth Session held in Rome, October 1976 (Annex I to this Survey).
- 93/ Sometimes called a “Negociado”, “Departamento”, División or “Sección”.
- 94/ See Article 3 of Act No. 56 of 1981 “to consolidate and amend the Meat Act of 1964 and its amendments and to make other provision relating to the slaughtering, processing, packing, inspection, distribution and export of certain animals and any products or byproducts derived from them”, October 1981 (Acts, 1981, No. 56).
- 95/ Ibidem, Article 2, definition of “Director-General”.
- 96/ Of 13 June, 1977. “Recueil des lois fédérales” (R.L.F.), No. 26, 27 June 1977, page 1194.
- 97/ See Act No. 21.740 re-assigning the duties of the National Meat Board, 27 January 1978, Boletín Oficial de la República Argentina No. 23.847, 7 February 1978, page 1.
- 98/ See Emilio E. de Arenaza, LA REGULACION JURIDICA DE LOS RECURSOS NATURALES AGRARIOS, in DERECHO AGRARIO Y RECURSOS NATURALES, “Abeledo-Perrot”, Buenos Aires, 1983, page 120.
- 99/ The Stock Importation Amending Regulations, 1966, 18 May 1966, Article 2.
- 100/ See the report of the Canadian Delegate to the Tenth Session of the FAO Intergovernmental Committee on Meat, Rome, February 7-11, 1983, entitled “Canada's Import Regime for Livestock and Meat”. The Delegate reported that: “At present the countries approved to export fresh meat to Canada are, USA, UK (Northern Ireland only), Eire, Australia, New Zealand, Nicaragua, Honduras, Mexico, Iceland and Costa Rica”.
- 101/ R.L.F. No. 26, 27 June 1977, page 1194.

- 102/ See Articles 2, 3 and 4 of the “Federal Ordinance on Meat Control”, 11 October, 1957, R.L.F., No. 47, 28 November, 1957, page 929 and subsequent amendments.
- 103/ Ordinance of 13 June 1977, Article 12.
- 104/ Dated 11 October, R.L.F. No. 47, 28 November 1957 and subsequent amendments.
- 105/ Ibidem, Article 40,2.
- 106/ The same Article 68 establishes that: “meat and meat products shall be denominated and described in such a way that in no case can the buyer be led into error; the provisions of the Federal Ordinance regulating trade in foodstuffs is applicable by analogy. Products prepared - totally or in part - from horsemeat must be labelled as horsemeat products.
- “Processed meat products must have inscribed on their packaging, lastingly and in legible and indelible letters, the following information:
- a. the name of the manufacturer or selling firm, with a precise indication of the place of origin;
  - b. an exact description of the contents;
  - c. if the product is not “processed” in the strict sense of the term it must be marked either “limited keeping properties, keep in a cool place” or “semi-serve, keep in a cool place”. (This Article also contains other provisions for retail sale of packaged meat).
- 107/ See Articles 8 and 11 and Annexes I (Chapter N) and II of Act No. 1073.
- 108/ See Regulation 112 (C.G., Part II, Vol. 113, No. 16, 22 August 1979, page 2911).
- 109/ See Article 3 of the Ordinance of the Federal Council regulating questions of veterinary law on the importation, transport and exportation of animals and merchandise, 13 June 1977, page 1194.
- 110/ R.L.F. No. 26, 27 June 1977, page 1194.
- 111/ Act No. 1073 of 1971 on sanitary regulations controlling interchange of fresh meat between Italy and the other EEC Member States.
- 112/ Ministry of Health Circular No. 43 of 1979 concerning sanitary problems involved in the interchange of meat products, to apply the EEC Directive No. 77/99 of 27 June 1979, on the setting up of identical control systems.
- 113/ Article 25 of Act No. 1073. This Article establishes that such inspectors may also have the task of “preparing the technical and sanitary basis for the drawing up of agreements” on such matters.

- 114/ See 9 CFR 327.6.
- 115/ See 9 CFR 327.7 ff.
- 116/ Regulation 7 ("Cancellation of Licence") of the Regulations for Meat Inspection of 1982, under the Animal Ordinance 1953.
- 117/ On the appropriate initiative of the Ministry of Health, the adoption of such measures - giving reasons - must be immediately notified to the appropriate authorities of the remaining EEC Member States and the EEC Commission.
- 118/ R.L.F. No. 26, 27 June 1977, page 1194.
- 119/ RS 916.40; RO 1977-2287.
- 120/ Act No. 1073 refers to the health regulations on trade in fresh meat between Italy and the other EEC Member States.
- 121/ Articles 513 to 516.
- 122/ Articles 438, 439 and 452.
- 123/ R.L.F. No. 26, 27 June, 1977, page 1194.
- 124/ RS 172.021.
- 125/ Act No. 56 of 1981 to consolidate and amend the Meat Act 1964 and its amendments, and to make other provision relating to the slaughtering, processing, packing, inspection, distribution, and export of certain animals and any products or byproducts derived from them, 22 October 1981 (Acts, 1981, No. 56).
- 126/ Meat Export Control Act 1921-22, 11 February 1922.
- 127/ On a form provided by the Director-General of Agriculture and Fisheries.
- 128/ Veterinary Surgeons Act 1956.
- 129/ Decree No. 65-739, Article 2.
- 130/ Ibidem, Article 3.
- 131/ See:
- Order No. 3824 establishing rules controlling abattoirs and cutting or processing plants approved for exports - 28 December 1965, Journal Officiel de la République de Madagascar No. 457, 1 January 1966, page 36.
  - Order No. 3826 on the marking of meat and offals intended for export - 28 December 1965 - J.O.R.M. No. 457, 1 January 1966, page 42.

- Order No. 3827 establishing rules controlling vehicles and means used for the transportation of meat and offals intended for export and the conditions for such transportation 28 December 1965 J.O.R.M. No. 457, 1 January 1966, page 43.

- 132/ See above note.
- 133/ See Annex 2 to the Decision of the Council of Ministers of the WAEC No. 6, adopting the Sanitary Agreement on Livestock and Meat, 5 April 1975, Journal Officiel de la République de Niger, Special Number 10, 31 December 1976, page 955.
- 134/ Document No. 75/021/OCBV/1.
- 135/ See Articles 9 to 14 and 37 of the Regulations amending and completing the Regulations governing the Quality of Meat and Barnyard Poultry intended for Export - Sluzbeni List (S.L.) No. 44, 5 November, 1958, text 766, page 210.
- 136/ S.L. No. 12, 1962, text 153, page 210.
- 137/ J.O.R.M. No. 457, page 35.
- 138/ See 9 CFR 322.2 for the requirement of an Export Certificate.
- 139/ Act No. 56 of 1981 (Meat Act 1981).
- 140/ Decree No. 65-793, Article 6.
- 141/ In accordance with the already-quoted Article 6 of Decree No. 65-793 with special reference to the Act of 1 August 1905 on the prevention of fraudulent practices, and other measures contained within it.
- 142/ Of 25 January, 1978, Boletín Oficial de la República Argentina No. 23.847, 7 February 1978, page 1, Article 27 ff.
- 143/ It is stated that during the summary penalty proceedings, the directorío of the Board may order suspension of registration (provided for by Article 20, every person or firm that engages habitually in trading or processing livestock or meat intended for export) of the alleged offender with the NMB. In respect of, inter alia, any suspension is for sixty days, unless once the suspension or cancellation has been applied, the reason for it should recur, in which case, preventive suspension is extended until the final decision.
- 144/ Although the highest amount of protection is generally to be found in the milk sector (partly due to the close connection in many countries between the production of milk and that of bovine meat).
- 145/ See CCP:ME 80/4 of the Intergovernmental Group on Meat entitled "Protectionism in the Livestock Sector", FAO, Rome, 1980, page 1.

- 146/ Including such technical barriers as animal health regulations - which have been referred to in previous sections - which also produce a considerable effect on international trade in livestock and its products.
- 147/ See L. González Vaqué, "Problemática Jurídica del Comercio Exterior de la Carne e de los Productos Cárnicos", report presented to the III Reunión Iberoamericana de la Industria Alimentaria held in Barcelona on 15 May 1984.
- 148/ General Agreement on Tariffs and Trade, Article XI.
- 149/ By this is meant a stipulation in a trade agreement between a given country and a foreign country ensuring for the latter complete parity with the most favoured nation (or nations) as to imports made by the first-mentioned country.
- 150/ Which, as a consequence, trade on the world market and thus reduce their instability.
- 151/ For this grading see section 1.2.1 of Part I.
- 152/ The Internamerican Development Bank: "Economic and Social Progress in Latin America: Report, 1980-81", Washington, D.C., 1981, page 56.
- 153/ Article 3 of the Treaty of Rome lists what needs to be done for the Community to achieve its objectives. One item is a Common External Tariff as against third parties. Articles 18 and 29 of the Treaty define how this Community tariff is to be imposed and regard it as a fundamental step toward Customs Union, one of the primary objectives of the Community.
- The Common External Tariff (Common External Tariff) was arrived at by taking the average of the tariffs in force in the territories of the Original Member States on 1 January 1957. An annex established, however, that there should be a series of restrictive price lists to set a ceiling for the tariff on certain products.
- Article 23 established that, after several intermediary stages, the Common External Tariff should be applied in full not later than by the expiry date of the transition period (12 years from the signing of the Treaty). Half-way through 1966, the Council of Ministers decided that sufficient progress had been made toward integration of the sector for the date of application of the Common External Tariff to be brought forward to 1 July 1986 and that it should apply to imports from third countries into all Member States. On the same date the last surviving customs charges between Member States were also abolished, and free circulation of merchandise was thus achieved.
- Each Member State is represented on the Customs Cooperation Council and was a contracting party to the convention of 15 December 1950, on Nomenclature for the Classification of Merchandise for customs duties (the Brussels Nomenclature). Community legislation on customs matters is closely linked to the system of the Customs Cooperation Council and the Brussels Nomenclature. Thus the Common External Tariff is nothing more than a subdivision of this.

Since there is a Community Tariff, customs duties applicable on imports of goods from third countries are identical throughout the Community's customs territory. Once this duty has been paid, goods can circulate freely between the Member States, although certain exceptions may exist in application of safety clauses. That there should be a Community Tariff is in keeping with Common Market thinking to the effect that goods should be able to circulate freely within it without any duties between Member States and the same tariff on goods from third countries (see L. Gonzalez Vaqué, LA LIBRE CIRCULACION DE MERCANCIAS EN LA CEE: PUNTO DE VISTA DE UN PAIS NO MIEMBRO, "Alimentaria" No. 37, November, 1982, page 41 ff.).

154/ It should be recalled that the organization of the Community here is based on Regulation (EEC) No. 805/68 of the Council, of 27 June 1968 on the common organization of markets in the bovine meat sector, and on subsequent measures passed to this effect. Thus the trading year "internal" market is controlled by a system of prices and interventions that may be summarized approximately as follows: every year, in theory before 1 August for the beginning on the first Monday of April of the following year, the following price regulation procedures are established: (a) a guide or "desirable" price, close to which there should be the going price in the representative EEC markets; (b) the intervention price, which is the signal to Governments to begin or cease to buy. These prices, in ECUs per 100 kg live weight refer to what are known as "large bovine animals", by which is meant domestic animals of the bovine species, with the exception of pure-bred breeders, whose live weight is over 300 kg. Each year, at the beginning of the campaign, (c) buying-in prices are established according to categories (Young Bovine Animals, Boeufs Taureaux, etc.) which fluctuate between a maximum and a minimum, according to variations in the value of meat depending on the age, weight, conformation and degree of fattening of the animals. They are calculated by applying to the intervention price coefficients reflecting the ratio between the price for each category and that for "large bovine animals".

In order to ensure that prices remain close to the guide price, intervention is in the form of:

- (i) aid to private storage (when the market price falls and threatens to reach the intervention price);
- (ii) buying by the intervention agencies (which may take place in one or more Member States at the same time when prices are below the intervention price).

155/ See Daniel Almirón, EL PROTECCIONISMO EN EL COMERCIO INTERNACIONAL DE CARNE VACUNA, "Integración Latinoamericana", August 1983, page 54 ff).

156/ See Claudio Gandarias, SITUACIONES QUE PLANTEA EL INGRESO DE ESPANA EN LA CEE: LOS PRINCIPALES PRODUCTOS AGRARIOS, "Revista IACSI", No. 1, year 131, Spring 1982, page 10 ff.

- 157/ See Ricardo French Davis, INSTRUMENTOS NO ARANCELARIOS EN LA POLITICA DE COMERCIO EXTERIOR, "CIEPLAN", July 1977, pages 15 and 16.
- 158/ The UNCTAD Study entitled "Protectionism and Structural Adjustment" (TD/B, 15 January, 1982, page 15) reports that technical problems are created since it is difficult to quantify ad valorem restrictions of this kind. Consequently obstacles to the interchange of concessions are created by multilateral negotiations.
- 159/ And the same applies to import duties and variable charges.
- 160/ Product weight.
- 161/ Which amounts to an increase of 6.4 percent.
- 162/ Acting as a Government Board it is responsible for the stabilization of beef and veal prices in Japan. To achieve this it holds auctions for the kind of cuts that are to be bought. these auctions are, however, normally limited to the less expensive cuts with the object of minimizing competition with home beef and veal production. (See Donald E. Dekieffer, INTERNATIONAL TRADE BARRIERS TO CONTROL IMPORTATION OF FOOD PRODUCTS, "Food Drug Cosmetic Law Journal", Vol. 38, No. 2, April 1983, page 96).
- 163/ Product weight.
- 164/ No use was made of this power in 1984. Nevertheless, in December of that year, the Canadian Authorities announced their intention of restricting imports during 1985. A global import quota was set at 66,500 tons (product weight), which is equivalent to the estimates for 1985 by the compromise minimum access commitment. The quota for each supplying country will be allocated on the basis of their share of imports into Canada during the period of 1979-83 (see paragraph 80 of the GATT Report on: "The World Market for Bovine Meat", Geneva, 1985).
- 165/ To continue to use this year as the best possible reference - at the time of writing of this Survey - for providing examples to illustrate the different legislative measures adopted by different countries.
- 166/ Product weight.
- 167/ This may be attributed to the ascertained forecast of an increase in the slaughtering of cows in 1984. The "anticyclic" element of the formula used to set the activating level under the above law is intended to ensure that the level varies as an inverse function of previous and forecast levels for the slaughtering of cows.
- 168/ This is the method used to render import restrictions effective.



- 169/ Under the Meat Import Act, already quoted, the United States determines quotas for the importation of certain wild animals, of beef and veal and certain products made from such meat and meat of sheep and goats according to an anticyclical formula that provides for the importation of less meat when the home supply is high and vice versa, and always guarantees a minimum access agreed by GATT. In certain years importation quotas were applied either because buying remained below the “reference level” that would impose their application or because the majority of exporters prefer to limit their shipments “voluntarily” to avoid quotas being applied unilaterally. There are various examples: in 1982, Australia, Canada and New Zealand negotiated with the United States “voluntary” reductions in exports. In return for an increase in the EEC quotas on certain cuts of beef and veal, Argentina, Australia, Austria, Hungary, Iceland, New Zealand, Poland, Romania, Uruguay and Yugoslavia have on occasions agreed to reduce exports of lamb, mutton and goat meat and live animals of these species and other pure-bred breeders to the Community markets (see GATT: “System of licencing, import restrictions and state trading agreements for products relevant to chapters 1 to 24 of the NCCD, applied to the European Community Countries” AG/DOC/2/EEC/1, 22 July 1982, page 6).
- 170/ No decision has yet been made as to the translation of this community term, which many of the Member States use in French or in a quasi French form. A levy is a sort of charge by the European Community agricultural imports from third countries. Its purpose is to protect the level of community prices against supplies from abroad. It is applied when the lowest world price offered in any specific port of the Community (frontier price) is lower than the minimum importation price (threshold price). Its amount is equal to the difference between the two prices (threshold price minus frontier price). For example, suppose that the target price of wheat at utrecht is 220 Dutch florins; and suppose, equally, that the cost of transportation from Rotterdam (which is where the levies on imports of cereals are fixed daily) to Utrecht is 15 fl. then the threshold price at Rotterdam is 205 fl. therefore, if the price of wheat imported by the EEC is 180 fl. at Rotterdam, the levy has to be set at 25 fl. Levies are subject to price variations and are thus themselves variable. They operate differently depending on the product for which they are fixed. For example, for pigmeat they are fixed every three months and are twofold, one level taking into consideration the difference between Community costs and those of the rest of the world for the production of cereals, and the other giving priority to the Common Market. Levies can also be applied to discourage Community exports when world market prices are higher than those of the Community.
- 171/ See Daniel Almirón. EL PROTECCIONISMO EN EL COMERCIO INTERNACIONAL DE CARNE VACUNA, “[Integración Latinoamericana](#)”, August 1983, page 49.
- 172/ In 1983 shipments amounted to only 16,300 tons, practically all from Botswana.

173/ As well as fresh, chilled and frozen beef and veal from these five countries, the EEC allows importation, free from duty and charges, of processed beef and veal from all the developing countries signatory to the Lomé Convention, but the amounts consigned have been insignificant. (See CCP:ME 85/4, FAO, Rome, 1985, page 5).

174/ But like import quotas.

175/ See paragraph 45 of CCP:ME 85/4 "Protectionism in the Livestock Sector", FAO, Rome, 1980.

176/ See ibidem paragraph 27.

177/ In Spain, the principal enactment controlling the beef and veal market is Decree 1473/1975, dated 26 June 1975, as amended by Crown Decree 1633/1980, dated 24 July 1980, with its term of validity extended from year to year. Decree 1473, which, because of its timeless nature, is also known as the Framework Decree, sets out the fundamental rules for controlling the sector and is completed each year by the provisions of the Crown (Annual Regulations) Decree, which is implemented by a policy of prices and interventions and by measures for the guidance of production.

Among the first are:

- (i) the upper intervention price, to protect consumers;
- (ii) the indicative or "desirable" price, to which the reference price should be close;
- (iii) the lower intervention price, which signals that guaranteed buying should be adopted or cease;
- (iv) the guaranteed price, that at which Government buys. These prices refer to the so-called standardized product, which is fresh dressed carcasses of male yearlings in the 2nd class trade category. Their price on the reference markets serves as the basis for regulating Government intervention and is called:
- (v) the reference price.

There are also what are known as:

- (vi) the threshold price, which is set to make it possible, if the occasion demands, to make a change in trading procedures in beef and veal; and, lastly
- (vii) the "precio de cession", which is that at which Government sells stocks of meat taken for price regulation purposes.

To ensure that the reference price remains close to the indicative, the Government can intervene in the following ways:

- (i) by financing private storage of frozen carcasses, sides, quarters and pieces. The Government is empowered to take this measure when the reference price falls below the indicative price and threatens to reach the lower intervention price;

- (ii) by buying under the guaranteed prices schemes: this is done permanently and over the whole national territory when the reference price falls below the lower intervention;
- (iii) by buying under the guaranteed prices scheme in specified districts: when livestock prices are below the lower intervention price, even if the reference price is above this level. FORPPA (Fondo para la Ordenación y Regulación de los Precios y Productos Agrarios) is authorized to do this buying;
- (iv) by making export refunds: always provided the reference price does not exceed the lower, or intervention price, export refunds on meat can be made up to a maximum per kg no higher than the cost to Government of slaughter, dressing, freezing and storage for six months of meat bought under the guaranteed prices scheme;
- (v) by distributing regulation frozen meat: when the reference price remains above the indicative for two successive weeks meat can be released if the amount for distribution is determined in advance. When the reference price exceeds the upper intervention, distribution is obligatory and all requests must be met;
- (vi) by making special interventions: FORPPA is empowered to submit to Government proposals for special interventions to ensure more effective control of the market. Independently of the above interventions, the following can also be done:
- (vii) meat imports under the scheme can be replaced by regulation meat: this is possible if the meat reserve levels established for each campaign are exceeded;
- (viii) release of meat intended for processing: if the market situation requires it, FORPPA suggests to the Ministry of the Economy and Trade the amount of such meat and its kind, setting the prices for it.

As far as guide prices are concerned, the Ministry of Agriculture and Fisheries is empowered, through its own organization (the General Directorate for Agriculture) or appropriate agencies (the Agency for Livestock Development, IRYDA (Instituto para la Reforma y Desarrollo Agrario) etc.) to promote and support feasible initiatives in new areas or in existing ones that require restructuring for technical improvement of the overall exploitation of cattle and bovine meat. (See Claudio Gandarias, SITUACIONES QUE PLANTEA EL INGRESO DE ESPAÑA EN LA CEE: LOS PRINCIPALES PRODUCTOS AGRARIOS, "Revista IACSI", No. 1, year 131, Spring 1982, pages 18 and 19).

178/ See paragraph 28 of CCP:ME 80/4 "Protectionism in the Livestock Sector", FAO, Rome, 1980.

179/ For example, in Spain, where foreign trade in the beef and veal sector is subjected to State trading. The agency controlling imports and exports is the Government Agency responsible for Supply and Transportation, directly or through open competition or auctions for the issue of licences (See Claudio Gandarias, SITUACIONES QUE PLANTEA EL INGRESO DE ESPAÑA EN LA CEE: LOS PRINCIPALES PRODUCTOS AGRARIOS, "Revista IACSI", No. 1, year 131, Spring 1982, page 19).

180/ Actually or potentially.

181/ According to paragraph 29 of CCP:ME 80/4, "Protectionism in the Livestock Sector" the most important exceptions are a number of developing countries, Iran and Iraq and, to some extent, the USSR, where, on some occasions, long-term contracts were signed with the main suppliers.

182/ The system can be summarized in the following way: (i) a customs duty - on a c.i.f. basis; (ii) a surcharge on the purchase of certain cuts; and (iii) a system of annual quotas, for small amounts and with strictly-applied technical specifications. See Daniel Almirón, in EL PROTECCIONISMO EN EL COMERCIO INTERNACIONAL DE CARNE VACUNA (Integración Latinoamericana, August, 1983, page 48, note 16) who maintains that the LIPC established that, in order to participate as bidders at auctions, freezing plant owners must possess equipment for the full cycle of slaughtering, preparation and processing with a minimum capacity of 500 animals daily, and are obliged to present declarations guaranteeing the quality of their products by sending samples and/or photographs of them. At the request of the Meat Export Promotion Federation of the United States, the LIPC waived the requirement for possessing a slaughter and processing establishment with this specific capacity and also agreed to eliminate certain bureaucratic barriers that prevented exporters of frozen products from sending every kind of cut for auction, submitting them to a graded system that obliged them to begin with the least-profitable cuts.

183/ See paragraph 16 of "Meat Production", Consumption and Marketing in Africa, Intergovernmental Group on Meat (Ref. CCP:ME 85/4) FAO, Rome, January, 1985.

164/ Important payments were made into the stabilization fund throughout the whole of 1984 (approximately 5.6million NZ dollars). This achieved a considerable reduction (down to 4.9 million NZ dollars) in the fund's deficit which, on 30 September 1983, had reached about 10 million NZ dollars. It should be noted that the new Zealand Government's plan for complementary minimum prices ceased to be effective on 1 October, 1984. The plan had provided for compensatory payments on minimum prices for the same qualities of livestock for export, for limited periods.

185/ 1 October 1984.

186/ See paragraph 3 of CCP:ME 85/5 "Guidelines for International Cooperation in the livestock and meat Sector: review and follow-up action and progress in 1983-1984", FAO, Rome, 1985.

187/ During 1984, for example, several modifications were made to the level of such export refunds. In February and May there were general reductions; in August, in the context of emergency measures to sustain the market, refunds for fresh or frozen beef and veal of male animals were increased (at the same time refunds for exports to Canada and the United States were reduced by 14.5 percent) and, at the beginning of October, refunds for the fresh or frozen meat of male animals were reduced.

- 188/ [Terminological note of relevance to the Spanish version of this Study only].
- 189/ See paragraph 62 of the GATT report on “The World Market for Bovine Meat” (1985) which states: “It is understood that an export tax of 20 per cent of export value was removed as from October 1984, although being in part subsequently reinstated”.
- 190/ See paragraph 46 of CCP:ME 80/4, “Protectionism in the Livestock Sector”, FAO, Rome, 1980.
- 191/ See Daniel Almirón, EL PROTECCIONISMO EN EL COMERCIO INTERNACIONAL DE CARNE VACUNA, “Integración Latinoamericana”, August 1983, page 49.
- 192/ See Emilio E. de Arenanza, REGIMEN JURIDICO DE LAS ESPECIES BOVINAS EQUINAS PORCINAS Y OTRAS, in “DERECHO AGRARIO Y RECURSOS NATURALES”, Abeledo-Perrol, Buenos Aires, 1983, page 119.
- 193/ of 25 January 1978, Boletín Oficial de la Republica Argentina, No. 23.847, 7 February 1978, page 1.
- 194/ In many developing regions the method has been used of setting maximum retail prices, with special consideration for the interests of urban consumers.
- 195/ In India, for example, exports of certain kinds of livestock and meat products were reduced when the prices on the home market reached the limit set by Government (see CCP:ME 85/4, FAO, Rome, 1985).
- 196/ In 1984, Uruguayan exports to certain Middle East countries, which had been in second place among the main markets, were very considerably reduced for this reason (see the GATT report on “The World Market for Bovine Meat”, Geneva, 1985, paragraph 68).
- 197/ Euphemistically called “Slaughtering not submitted to inspection”.
- 198/ See the GATT report on “The World Market for Bovine Meat”, Geneva, 1985, paragraph 70).
- 199/ See section 1.2.3 of Part I. As an example may be cited the case of the Colombian beef and veal export sector vis-à-vis the Venezuelan market.
- 200/ Which, in its turn, may influence imports and exports. Some experts consider that it is probable that the increase in the demand for beef and veal during 1984 contributed towards the fall in exports of this meat to a level lower than for any year since 1975.
- 201/ In 1982 there was some recovery, but in 1984 it was still about 12 percent less than that for 1980. It has to be reported that in Norway, and also in many other European countries, the demand for beef and veal depends to a greater extent on prices than that for pigmeat.

- 202/ And indirectly - because of their negative effects - on campaigns for the encouragement of pigmeat consumption.
- 203/ This applies to other European countries.
- 204/ In Brazil, for example, in 1983, the reduction of total consumption by 2 percent and of consumption per inhabitant by 5 percent (to 15.5 kg) is thought to have been caused by a fall in purchasing power and high unemployment figures, together with a considerable increase in retail prices (see the GATT Report "The World Market for Bovine Meat", Geneva, 1985, paragraph 64).
- 205/ See section 2.3.2 of this Part.
- 206/ Such "à la carte" intervention buying continued until 26 November 1984, from which date on the purchase of hindquarters alone was permitted.
- 207/ With the identical objective of finding more storage space.
- 208/ It was for this reason, for example, that, in 1983, the Brazilian Authorities decided to import 20,000 tons of beef and veal from Uruguay to bring down retail prices.
- 209/ In this connection it may be mentioned that, in 1984, for example, currency depreciation in all the major exporting countries with respect to the United States dollar was very likely the most important factor contributing to the rise in prices obtained by producers. It should be emphasized here that (and this may be cause for concern in 1985 and subsequent years) the improvement in the prices situation in Argentina, Australia, Brazil, New Zealand and Uruguay was partially due to depreciation of their respective currencies. If there is any strengthening of the currencies of exporting countries, especially in relation to the United States dollar, this may produce a drop in cattle prices and a possible slowdown in herd rebuilding.
- 210/ To take Austria as one among many possible examples, as a consequence of a fall in consumption and an increase in production that took place in 1983, Austrian imports of beef and veal dropped for the second year in succession and were of about 5,000 tons, as compared with 9,000 tons in 1982 and 12,000 tons in 1981. At the same time, exports, which had been increasing regularly since 1978 (with the single exception of 1981) increased again in 1983 to reach 28,000 tons, i.e. 21.7 percent more.
- 211/ Which increased by 125 percent between 1981 and 1984.
- 212/ In other words, the average weight of a clean calf carcass dropped from 63 kg in 1981 to 39 kg in 1983.
- 213/ At the time of writing, the results were clear: in 1983 the total production of beef and veal in Norway dropped by approximately 7 percent to 74,600 tons and by a further 5.1 percent in 1984, to reach 70,790 tons.

- 214/ See paragraphs 27 and 30 of the GATT Report on “The World Market for Bovine Meat”, Geneva, 1985.
- 215/ Ibidem, paragraph 41.
- 216/ Ibidem, paragraph 73.
- 217/ Ibidem, paragraph 69.
- 218/ Equal to the EEC milk production for 1981 plus 1 percent.
- 219/ This was paid by the producers at the central dairies in accordance with the method of “reference quantities” decided upon by the Member States.
- 220/ In Finland, the number of milch cows has been decreasing regularly in recent years and it is estimated that, at the end of 1984, it fell to 640,000 head. From 1980 onwards the number of milch cows went down by 8 percent and it appears that it will fall by a further 15 percent by the end of the decade when the Government objective is a total of 545,000 head.
- 221/ Thus producing an increase in the number of cows for meat.
- 222/ This came into force on 1 January 1985.
- 223/ See paragraph 33 of the GATT Report on “The World Market for Bovine Meat”, Geneva, 1985.
- 224/ Estimated at about 22 percent.
- 225/ See paragraph 59 of the GATT Report on “The World Market for Bovine Meat”, Geneva, 1985.
- 226/ Reprint of the Quarantine (Animals) Regulations and the Proclamations under the Quarantine Act 1908-1950 relating to the Quarantine of Animals, as in force on 31 October 1955.
- 227/ Regulation amending Article 82 of the above Regulations, dated 23 September 1956.
- 228/ Amendments of the Quarantine (Animals) Regulations, Statutory Rule No. 16 of 1980.
- 229/ Reprint No. 2, as at 31 March, 1983 of the Quarantine Act 1908, Article 13 (separate publication).
- 230/ Reprint dated 31 August 1979.
- 231/ Reprint dated 31 August 1980 (separate publication).
- 232/ Article 5 (1) of the Exports (Meat) Regulations. Reprint dated 31 August 1980 (separate publication).

- 233/ Ibidem Art. 32.
- 234/ Ibidem Arts. 37 and 38.
- 235/ This Schedule established obligatory ante- and post mortem inspections and set methods for slaughter and the preparation of meat for export.
- 236/ See Article 33 (1) and Schedules VII and IX of the Exports (Meat) Regulations. Reprint dated 31 August 1980 (separate publication).
- 237/ Reprint dated 31 August 1980 (separate publication).
- 238/ Article 28 of the Exports (Meat) Regulations. Reprint dated 31 August 1980 (separate publication).
- 239/ Ibidem Art. 29.
- 240/ Ibidem Art. 45.
- 241/ Ibidem Art. 32 (1).
- 242/ Of 26 October, 1981 (Acts, 1981, No. 147).
- 243/ See the document of the Intergovernmental Group on Meat, FAO, "The World Meat" Economy. Examination and long-term Prospects, Ref. CCO:ME 85/3, Rome, January 1985.
- 244/ In Australia, after eight years of reduction in herds, the building up again of the cattle population began, apparently in 1984 (see GATT, "The World Beef and Veal Market", Geneva, 1985, paragraph 82).
- 245/ Ibidem.
- 246/ Of 16 June 1977 (Acts 1977, No. 67).
- 247/ See Sections 6 to 16 of Act No. 67 of 1977, Australian Meat and Live-stock Corporation Act 1977 of 16 June 1977 (Acts 1977, No. 67).
- 248/ Ibidem, Sections 17 to 30.
- 249/ Consisting of nine members nominated by the appropriate Minister.
- 250/ They are elected for three years and may seek re-election.
- 251/ That take place on the dates and at the places established by the Corporation.
- 252/ See Sections 47 to 52 of the Australian Meat and Live-stock Corporation Act, 1977, No. 67, 16 June 1977 (Acts 1977, No. 67).



253/ For French national legislation, see the following bibliographical references:

- (i) DENREES ALIMENTAIRES ET D'ORIGINE ANIMALES (REGLEMENTATION SANITAIRE POUR L'IMPORTATION EN FRANCE) edition up-to-date to 4 December 1979, "Journal Officiel de la République Française", Paris, No. 1465, 1979; and
- (ii) REGLEMENTATION SANITAIRE A L'IMPORTATION (Vol. I: "DENREES ANIMALES ET D'ORIGINE ANIMALE" document in cyclostyle, undated).

And, for EEC legislation:

- (iii) REPERTOIRE DES ACTES DE DROIT COMMUNAUTAIRE EN VIGUEUR (Reference date: 1 January, 1983) Vol, I, pages 29 ff. (section 03.a 60.57) "Viande Bovine"; and
- (iv) LE REGLEMENT EUROPEEN "VIANDES BOVINES", a document produced by the "Fédération Nationale Bovine", Paris, undated.

254/ Of 25 November 1970, J.O. 30 December 1970.

255/ See paragraph 1 of Article 4 of the Ministerial Order concerning the entry into France of fresh meat originating in Member States of the EEC, 25 November, 1970, J.O. 30 December 1970.

256/ Ibidem, Annex I, Chapters IV and VI.

257/ Ibidem, Annex I, chapter V.

258/ Ibidem, Annex I, Chapter IX.

259/ Ibidem, Annex I, Chapter IX.

260/ Ibidem, paragraphs 1 and 4 of Article 4.

261/ Ibidem, Annex I, Chapter XIII. Section B of Article 3 of the above order also establishes the conditions for deboned meat and portions smaller than quarters.

262/ Ministerial Order concerning the import of fresh meat originating from countries that are not Member States of the EEC, 20 March, 1979 (J.O. 18 April 1979).

263/ Ibidem, Article 2(a) (which defines a veterinary officer as: "the veterinarian appointed by the appropriate central authority of the third country").

264/ Ibidem, Annex A, Chapter V.

265/ Ibidem, Annex A, Chapter VI.

266/ Ibidem, Annex A, Chapter VII.

267/ Ibidem, Annex A, Chapter X.

268/ Ibidem, Article 4(d) and Annex A, Chapter XII.

- 269/ Ibidem, Annex A, Chapter XIII.
- 270/ J.O. 18 April 1979.
- 271/ Through an Order of the Minister for Economy, Finance and the Budget, on the suggestion of the Minister for Agriculture.
- 272/ J.O. 30 December 1970.
- 273/ See Article 4.2 of the Ministerial Order concerning the Entry into France of fresh meat originating from Member States of the EEC of 25 November, 1970 (J.O. of 30 December 1970).
- 274/ J.O. 24 March 1979.
- 275/ See Article 6 (para. 2) of the Interministerial Order establishing the requirements for the import of meat and other products of animal origin intended for human consumption, 1 March 1979 (J.O. 24 March 1979).
- 276/ See section "D" on page 9 of the REGLEMENTATION SANITAIRE A L'IMPORTATION (Tome I).
- 277/ J.O. No. 172, 22 July 1962, page 7261.
- 278/ See "Communautés européennes – Commission", LA POLITIQUE AGRICOLE DE LA COMMUNAUTE EUROPEENNE, Luxembourg, 1983.
- 279/ See (L') AGRICULTURE EUROPEENNE AU COURS DES ANNEES 80, Bruxelles: EC, Service information agricole, 1980.
- 280/ Also taking into consideration the position of the Community as the greatest world importer of agricultural products and of its wish to cooperate with the Third World, develop the less-favoured areas and give greater protection to the environment and consumers.
- 281/ See Pierre Baudin, L'AGRICULTURE EUROPEENNE DANS LE MONDE, Bruxelles: EC, Service information agricole, 1980.
- 282/ In addition to what is quoted in the main text attention is drawn to:
- (i) approximately 25 percent of production (eggs and poultry, other cereals, wine, fruit and vegetables) is protected only by regulations on the import of low-price produce from non-Community countries;
  - (ii) direct aid applies only to 2.5 percent of production: hard wheat, olive oil, some other oils, tobacco; this aid is limited to products produced in insufficient amounts in the Community and allows the maintenance of relatively low prices to the consumer, and also guarantee minimum profits to producers; and
  - (iii) either hectare or quantity, affects 0.5 percent of production: seeds of cotton, linen, hemp, hops, silkworms, dehydrated seeds and feed.

- 283/ And also: summer wheat, barley, rye, maize, sugar, milk products, mutton, lamb and pork, some fruits and vegetables and table wines.
- 284/ See LA LIBRE CIRCULACION DE PRODUCTOS ALIMENTICIOS Y ALIMENTARIOS EN LA CEE Y EN LA ESPANA AUTONOMICA, working document No. 4 of the Spanish Section of AEDA, Madrid, 1983.
- 285/ See REFLEXIONS SUR LA POLITIQUE AGRICOLE COMMUNE, Luxembourg: EC 1981.
- 286/ The expenses are covered by the European Guidance and Fund and Guarantee (EAGGF) which is an integral part of the budget and consists of two sections:
- (i) The “Guarantee” section, which finances all state expenditure stemming from the setting up of the common market organizations. Some are set aside for standardization of the interior market (approximately 7,100 million ECUs in 1982): the purchases the intervention agencies, costs of storage, direct aid for rents, subsidies designed to facilitate increased production, etc. Other expenses arise from export refunds (approximately 6,200 million ECUs in 1982), financial aid to compensate for the difference between common market prices and world market; and
  - (ii) the “Guidance” section, which contributes to financing of the common policy on agricultural structures, especially in promoting action for the improvement of development structures, rural infrastructures and also the conditions for the marketing and processing of products. Beginning in 1981, the Community gave increased priority in this context to initiatives aimed at increasing productivity, favouring the balanced markets and reducing the differences in regional development. In this way different programmes have been worked out to help the less favoured agricultural areas in all the Member States, in mountain and hill farming areas, in those where it is vital to maintain a certain number of farmers and in those Mediterranean regions exposed to greater competition because of the enlargement of the Community toward south. These programmes include, among other things, farmer training, drainage, irrigation, forest restocking, improvement of the quality of products by reconversion (e.g. in wine-producing areas). European aid has a five-year budget of 3,800 million ECUs. This generally covers only part of the expenses (between 25 and 60 percent), and the rest coming from government subsidies.
- 287/ See note 253, bibliographical reference iii.
- 288/ In theory, before 1 August for the campaign beginning on the first Monday in April of the following year.
- 289/ These prices are expressed in ECUs/100 kg live weight when they refer to “Large Bovines”, by which is meant domestic animals of the bovine race, apart from purebred breeders, with a live weight of over 300 kg.

- 290/ Together with the guide price, the EEC Council of Ministers fixes the intervention price for the marketing year. Article 2 of the EEC Regulations 1197/82 e.g., set it, scaled to 1981/1982 - at 172.68 ECUs/100 kg live weight up to 5 December 1982, and at 176.66 ECUs/100 kg live weight from that date until the end of the 1982/83 marketing year (O.J.E.C. L 190/26). The same Regulations establish the obligation for intervention agencies to buy beef and veal when it is offered to them when the price is at a set percentage of the guide price (such purchases are not general but to be set for certain countries - hence market prices by countries - and vary according to costs). Intervention purchases have led to the accumulation of large stocks which, to the extent to which they cannot be absorbed by the home market, have to be exported.
- 291/ Community protection is strengthened by the use of the levy, already referred to, consisting of “the amount to which the cost of beef and veal from countries outside the Community has to be increased so that it reach the Community at the same cost as that of beef and veal from Member States”. These increases are so high that they amount to a virtual “wall” isolating the Community market from the international. They are variable by nature and are added to the customs tariff. Ramón Tamames - in his EL MERCADO COMUN EUROPE: UNA PERSPECTIVA ESPAÑOLA Y LATINOAMERICANA, “Alianza Universidad”, Madrid, 1982, page 90 - sees the levy as “a tax that varies according to the fluctuations of the international price taken as a reference for its comparison with the EEC price”.
- 292/ The Community protection system, which guarantees for the internal market total isolation from international fluctuations, is supplemented by a structure of export subsidies. Community prices are quite unrelated to those of the international market, both because the guide prices were set artificially high and because market prices were lowered as compared with them. The result of this situation is a vast increase in stocks which are disposed of by sales outside the Community subsidized by the Community itself. Such a procedure is remarkably prejudicial to the developing countries, especially to Latin America. This led to the appearance in the journal “Informe Ganadero”, No. 23 (February 1983, page 18 ff.) of an article entitled CONSECUENCIAS DE LOS SISTEMAS PROTECCIONISTAS, which affirmed that “livestock prices in the EEC are evidence of a breach with those of other traditional exporters of well over 110 percent. Faced with such a situation and considering that for the next fiscal year an increase in institutional prices is foreseen, the suggestion of subsidizing the profits of their producers to that of the international market does not appear to be realistic. In this way, export refunds which are the measure utilized to channel out stocks, will continue to distort the beef and veal trade”.
- 293/ Fresh, chilled, frozen, salted, in brine, dried or smoked.
- 294/ See also the 1978 Regulations on foodstuffs, Pharmaceuticals and chemicals - Kenya Subsidiary Legislation, 1978, page 265.
- 295/ Revised edition 1972.

- 296/ An extract from this Act was published in the FAO Food and Agricultural Legislation, Vol. XXII, No. 1, pages 6 and 7.
- 297/ Revised edition 1980.
- 298/ Of 6 October 1973, K.G. Supplement No. 75, 2 November 1973, page 467.
- 299/ Of 6 July 1972, K.G. No. 34 of 14 July 1972.
- 300/ Article 2 of these 1973 Regulations states that: “inspecting officer” means any Veterinary Officer, Health Inspector or any other person duly authorized in writing by the Director of Veterinary Services.
- 301/ The 1973 Meat Control (Export Slaughterhouse) Regulations of 6 October, K.G. Supplement No. 75, 2 November 1973, Schedule A.
- 302/ Ibidem, Schedule B.
- 303/ Ibidem, Schedule B.
- 304/ K.G., Supplement No. 75, 2 November 1973, page 472.
- 305/ The 1973 Meat Control (export Slaughterhouse) Regulations of 6 October, Schedule C, Section II, Art. 8.
- 306/ Ibidem, Section III, Art. 1.
- 307/ Ibidem, Schedule C.
- 308/ Ibidem, Schedule G.
- 309/ Ibidem, Schedule I, a) and b).
- 310/ Of 13 February 1976, K.G. Supplement No. 11, 27 February 1976, page 81.
- 311/ This also applies to Botswana, Swaziland and Madagascar.
- 312/ See the document of the Intergovernmental Group on Meat entitled: “Production, Consumption and Trade in Meat in Africa” Ref. CCP:ME 85/4, Rome, 1985, paragraph 12 in which “outbreaks of diseases, especially of foot-and-mouth disease” are also quoted.
- 313/ The Kenya Meat Commission Act. Laws of Kenya, chapter 363, Revised edition 1972.
- 314/ Except under and in accordance with a licence which may be granted by the Minister after consultation with the Commission.
- 315/ Except under appropriate license (see note above).
- 316/ The Kenya Meat Commission Act, Laws of Kenya, chapter 363, Revised edition 1972, Art. 8.

- 317/ See “The Kenya Meat Commission: THIRTY-THIRD ANNUAL REPORT”, Nairobi, 1982, (1984).
- 318/ See also the publications entitled MARCO NORMATIVO DE LA POLITICA AGROPECUARIA, published by the “National Meat Board” for the years 1979, 1980,1981, 1982 and 1983.
- 319/ Published in “Diario Oficial” 9 November 1981.
- 320/ Decree No. 525/981 of 9 October 1981, Art. 3.
- 321/ Decree No. 338/982, setting up a system for the inspection of imported foodstuffs and beverages, dated 22 September 1982 (D.O. of 13 October 1982), Article 17 establishes that meat and offals of whatever kind (with the exception of the livers of barnyard poultry), salted or in brine, dried or smoked, and the edible products of animal origin not stated or included in other dispositions, shall be submitted for obligatory import inspection according to Art. 2 of the said disposition.
- 322/ Decree No. 338/982, Art. 9.
- 323/ A Resolution of the Ministry of Agriculture and Fisheries of 30 October 1981, delegates to the General Directorate of Veterinary Services to authorize requests for the import of meat, by-products and derivatives as referred to in Decree No. 525/981.
- 324/ Decree No. 525/981 of 9 October 1981, Art. 5.
- 325/ Ibidem, Art. 6.
- 326/ Decree No. 338/982, setting up a system for the inspection of imported foodstuffs and beverages, dated 22 September 1982, Art. 9 ff.
- 327/ Approved by Decree of the National Executive No. 376/981, of 30 July 1981.
- 328/ Decree No. 525/981, regulating the import of meat, by-products and derivatives intended for consumption or processing, 9 October 1981.
- 329/ Those to which the said Decree is applicable.
- 330/ Decree No. 671/978, approving the Official Regulations for Veterinary Inspection of products of animal origin, 27 November 1978.
- 331/ Decree No. 713/980 establishing standards for the approval of premises for the preparation and processing of meat intended for export, 10 December 1980, Art. 3.
- 332/ Between January and September of 1984 the reduction was of 30.6 percent of the amount for the preceding year.

- 333/ The main cause of this reduction was a fall in production. Just like Argentina, Uruguay had to cope with a decrease in demand on some of the most important markets, especially in the East. To this was added the competition of production at lower prices in Brazil and the EEC.
- 334/ Act No. 15.065, setting up the National Meat Board (NMB) and prescribing its terms of reference, 27 July 1984.
- 335/ Ibidem, Art. 1.
- 336/ Ibidem, Art. 2.
- 337/ Ibidem, Art. 26.
- 338/ Since the “new” NMB succeeds to all its duties and powers (See Art. 28 - Transitional - of the said Act No. 15.065).
- 339/ Art. 18 of Act No. 15.065 which states: “income received in excess of the running costs, once the appropriate cash reserves have been set aside shall be devoted annually to the promotion of and research into of the production and processing of meat”.
- 340/ Still according to the GATT report entitled “The World Beef and Veal Market” (13 December 1984), Geneva, 1985, paragraph 68.