

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(91) 467 final

Brussels, 21 November 1991

## Proposals for

an estimate concerning young male bovine animals weighing 300 kilograms or less and intended for fattening for the period 1 January to 31 December 1992

an estimate concerning beef and veal intended for the processing industry for the period 1 January to 31 December 1992

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## Proposal for

### COUNCIL REGULATION (EEC)

opening for 1992, as an autonomous measure, a special import tariff quota for high-quality fresh, chilled or frozen beef and veal falling within CN codes 0201 and 0202 and for products falling within CN codes 0206 10 95 and 0206 29 91

(presented by the Commission)

MEMORANDUM

ON THE ESTIMATE FOR YOUNG MALE BOVINE ANIMALS INTENDED FOR FATTENING

In accordance with the commitments entered into under the Multilateral Trade Negotiations (MTN) and the EEC-Yugoslavia Cooperation Agreement, the Commission invited Poland, Hungary, Yugoslavia and Romania to take part in bilateral discussions on the 1992 estimate for young male bovine animals intended for fattening.

1. ROMANIA

The Romanian authorities insisted that they receive the same treatment from the Community as all the other countries concerned by the GATT agreement.

They indicated that they hoped to export, for 1992, about 100 000 head of young bovine animals but asked for Community aid with a view to improving the breeds of their herds.

2. HUNGARY

The Hungarian authorities expressed the wish that the quota of 198 000 head of young male bovine animals exported with a levy reduction be maintained for 1992 and that a quantity of 60 000 head be reserved for them.

They also drew attention to the loss of the Soviet Union market and the impact on their exports.

3. POLAND

The Polish authorities emphasized the need to maintain the traditional share of the Community market which exports of young bovine animals had had up to the present time.

They expressed their concern about the future of the market given the high production costs which were due mainly to the prolonged stay of these animals on the farm.

They also asked whether the minimum weight of 220 kilograms for exports of young bovine animals might be reduced to 16%, with the application of a 75% levy and not 65% as was the case at present. This measure would help to reduce the production cost of these animals.

4. YUGOSLAVIA

The Yugoslav authorities drew attention to the sharp fall in their exports of young bovine animals and asked the Commission what kind of arrangements were being made for exports from Hungary and Poland.

As to the forecasts for exports to the Community of young bovine animals for 1992, their estimate was 15 000 head or thereabouts.

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Proposal for an estimate concerning young male bovine animals  
weighing 300 kilograms or less and intended for fattening  
for the period 1 January to 31 December 1992

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 805/68 of 27 June 1968 on the common organization of the market in beef and veal<sup>(1)</sup>, as last amended by Regulation (EEC) No 1628/91<sup>(2)</sup>, and in particular Article 13 thereof,

Having regard to the proposal from the Commission,

HAS ADOPTED THIS ESTIMATE:

Introduction

Article 13(2) of Regulation (EEC) No 805/68 provides that each year before 1 December the Council, acting by a qualified majority draw up on a proposal from the Commission must draw up an estimate of the young male bovine animals which may be imported under the system laid in under the said Article. This estimate is to take account both of the forecast supplies of young bovine animals intended for fattening within the Community and of Community livestock farmers' requirements.

In order to establish the volume of imports to be carried out under this estimate as from 1981, in accordance with the Community's undertaking within the General Agreement on Tariffs and Trade (GATT), consultations are held between the Commission and representatives of some non-member countries before the annual draft estimate is put forward.

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(1) OJ No L 148, 28.6.1968, p. 24.

(2) OJ No L 150, 15.6.1991, p. 16.

Before drawing up this estimate, the Commission held consultations with representatives of the following non-member countries: Hungary, Poland, Romania and Yugoslavia.

These consultations included an exchange of views on the beef and veal market as a whole, the production and consumption prospects within the Community and the scope for exports of young male bovine animals by the non-member countries.

This estimate relates to the period 1 January to 31 December 1992. It has been prepared in the light of information available to the Commission and on the basis of the foreseeable trend for 1992 of supplies of and requirements for young male bovine animals intended for fattening in the Community. The particular circumstances in the non-member countries can also be taken into account, while ensuring that the number of head to be imported in 1992 will be limited to the traditional level (average for the years 1987, 1988 and 1989) i.e. to 425 000 head. The Commission introduced a surveillance system to this end and will continue to apply the safeguard clause measures should import forecasts show that that number could be exceeded.

#### 1. Assessment of Community supplies for 1992

In view of the number of breeding females (cows and heifers) anticipated for 1992 (about 36 950 000), some 29 218 000 births of calves are expected during that year. Production over the year of male calves would therefore be about 14 600 000 head in 1992.

#### 2. Estimated Community requirements for 1992

2.1 The number of slaughterings of male calves envisaged for 1992, on the basis of data collected from Member States, should be about 4 000 000 head.

- 2.2 The number of male animals intended for slaughter, steers, fattened young bulls or bulls for breeding should be about 10 000 000 head.
- 2.3 In the light of information provided by Member States and of the above, it is expected that in 1992 the requirements of Community livestock farmers as regards young male bovine animals for fattening will be 10 000 000 head.
- 2.4 From the considerations set out in 2.1 and 2.3 it follows that the Community's overall requirements in male calves will be 14 000 000 head in 1992.

These requirements will be wholly satisfied by Community supplies of these animals which, as shown in point 1, amount to about 14 600 000 head.

Conclusion

In the light of the above estimates, a Community surplus may be expected in 1992. Furthermore, the Commission has proposed the introduction of a premium for the withdrawal from production of young male calves of dairy breeds with a view to reducing the number of young calves available.

However, in order for harmonious trade relations to be maintained with the non-member countries concerned, the number of young bovine animals which may be imported under the estimated supply balance for 1992 should be fixed at the same level i.e. 198 000 head, the overall level of traditional imports which the Commission contemplates in 1992.

MEMORANDUM

ON THE ESTIMATE FOR FROZEN MEAT INTENDED FOR PROCESSING

In accordance with the commitments entered into under the Multilateral Trade Negotiations (MTN) and the EEC-Yugoslavia Cooperation Agreement, the Commission invited Poland, Hungary, Yugoslavia and Romania to take part in bilateral discussions on the 1992 estimate for young male bovine animals intended for fattening.

RESPONSE FROM THE COUNTRIES CONCERNED:

ARGENTINA

The Argentine authorities expressed their satisfaction with the Commission's proposal as regards the estimate but felt that the coefficient for conversion to high-quality meat should be determined on the basis of real market prices. They were also pleased with the timing of the estimate's presentation, which should allow the Council to take a decision before the end of 1991.

NEW ZEALAND

The New Zealand authorities reiterated their position concerning the overall quantities of the estimate which should, they felt, be 60 000 tonnes, the quantity corresponding to the GATT commitments, and not 50 000 tonnes. They also expressed their satisfaction with the proposal for the conversion of the overall quantity to high-quality meat and with the timing of the presentation of the estimate, the adoption of which would facilitate the smooth operation of exports.

AUSTRALIA

The Australian authorities also said they accepted the estimate as presented by the Commission departments and were pleased with the timing of its presentation.

They expressed the wish to see the Hilton beef quota distributed in such a way as to satisfy countries negotiating the GATT arrangement on beef and veal. Since they did not wish to discuss distribution each year, they asked the Commission to start bilateral negotiations in order to fix long-term quota allocations.

URUGUAY

The Uruguayan authorities, after stressing the importance of the meat sector for their country's economy, also expressed their satisfaction with the proposal for converting the total quantity of meat for processing to high-quality meat.

They also congratulated the Commission on the prompt presentation of the estimate for 1992 and insisted on an increase in their share in the final distribution of the quota.

HUNGARY - POLAND - ROMANIA

These three countries did not express the wish to export meat for processing to the Community given that their traditional market was oriented to the export of calves for fattening and that their domestic consumption requirements were substantial.

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Proposal for an estimate of concerning beef and veal intended for the processing industry for the period 1 January to 31 December 1992

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 805/68 of 27 June 1968 on the common organisation of the market in beef and veal<sup>(1)</sup>, as last amended by Regulation (EEC) No 1628/91<sup>(2)</sup>, and in particular Article 14(2) thereof,

Having regard to the proposal from the Commission,

HAS ADOPTED THIS ESTIMATE:

Introduction

Article 14(2) of Regulation (EEC) No 805/68 provides that each year before 1 December, the Council, acting by a qualified majority on a proposal from the Commission, must draw up an estimate of meat which may be imported under the arrangements laid down in that Article. This estimate must take account, on the one hand, of the expected Community supplies of meat of a quality and type of cut suitable for industrial use and, on the other, of industrial need.

This estimate shall mention separately the quantities:

- (a) intended for the manufacture of preserves which do not contain characteristic components other than beef and jelly;
- (b) intended for the processing industry for the manufacture of products other than the preserves referred to in (a).

The annual presentation of the draft estimate is preceded by consultations between the Commission and certain non-member countries. The purpose of these meetings is to review the overall situation of the beef market in the EC and the non-member countries as well as current forecasts of production and consumption, so that a joint analysis can be made of the factors which could contribute towards drawing up estimates of Community requirements for frozen beef for processing and so that information concerning the potential export market can be exchanged.

Consultations have been undertaken by the Commission with representatives of the following countries: Argentina, Uruguay, Australia, New Zealand, Hungary, Poland and Romania.

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(1) OJ No L 148, 28.6.1968, p. 24.

(2) OJ No L 150, 15.6.1991, p. 16.



CHAPTER I

Supplies of meat for processing

According to information supplied to the Commission by the Member States in August 1991, Community supplies of home-produced fresh meat for processing for 1992 can be estimated at 1 323 000 tonnes of bone-in meat.

At the end of 1991 the Community will hold a large public stock of meat as a result of intervention buying. The quantity of this meat satisfying the requirements of meat for processing can be estimated at 500 000 tonnes of bone-in meat.

At the end of 1991 no meat will be held in cold stores as a result of the granting of private storage aid.

With effect from 1 January 1992 the Community intends to open a tariff quota for 53 000 tonnes of boned frozen meat, which corresponds to 68 900 tonnes bone-in meat.

Past experience indicates that, under this quota, 14 000 tonnes of frozen bone-in meat will be imported for processing in 1992.

In 1992 the quantity of meat originating in Botswana, Kenya, Madagascar, Zimbabwe, Swaziland and Namibia to be imported into the Community which satisfies the requirements for processing may be estimated at 7 600 tonnes of bone-in meat.

For 1992 the total available supplies intended for processing will thus be as follows:

	(tonnes)
- fresh meat:	1 323 000
- frozen meat bought into intervention	500 000
- frozen meat stored under the system of private storage aid:	0
- frozen meat imported under GATT quota:	14 000
- frozen meat imported under ACP Convention arrangements:	7 600
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Total	1 844 000

## CHAPTER II

### Industrial demand for meat for processing

According to information supplied to the Commission by the Member States in August 1991, Community demand for meat for processing in 1992 can be estimated at 1 424 000 tonnes of meat on the bone.

This figure includes the quantity required for the preparation of preserved foods as referred to in Article 14(1)(a) of Regulation (EEC) No 805/68. This latter quantity is estimated at 218 000 tonnes.

Conclusion

It emerges from the foregoing that Community availabilities of meat for processing will exceed industrial requirements in 1992. The estimate of beef and veal intended for the processing industry and which may be imported in 1992 under the arrangements provided for in Article 14 of Regulation (EEC) No 805/86 is therefore fixed at zero tonnes.

Done at Brussels,

For the Council



Proposal for  
COUNCIL REGULATION (EEC) No  
of

opening for 1992, as an autonomous measure, a special import quota  
for high-quality, fresh, chilled or frozen beef and veal  
falling within CN codes 0201 and 0202 and for products falling  
within CN codes 0206 10 95 and 0206 29 91

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic  
Community, and in particular Article 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas, having regard to the situation of the market in beef and  
veal both within the Community and outside it as well as to the  
Community's international commitments, it is appropriate to open,  
for 1992 and as an autonomous and exceptional measure, a  
Community tariff import quota of 11 430 tonnes at a 20% duty of  
high quality fresh, chilled or frozen beef and veal falling  
within CN codes 0201 and 0202 as well as of products falling  
within CN codes 0206 10 95 and 0206 29 91;

Whereas equal and continuous access for all operators concerned  
in the Community to the said quota and the uninterrupted  
application of the rate laid down for that quota to all imports  
of the products concerned in all the Member States until the  
volume provided for is exhausted should in particular be ensured;  
whereas, to this end, a system for utilizing the Community tariff  
quota, based on the presentation of a certificate of authenticity  
guaranteeing the type, provenance and origin of the products is  
required;

Whereas rules for the application of these provisions should be adopted in accordance with the procedure laid down in Article 27 of Council Regulation (EEC) No 805/68 of 27 June 1968 on the common organization of the market in beef and veal<sup>(1)</sup>, as last amended by Regulation (EEC) No 1628/91<sup>(2)</sup>,

HAS ADOPTED THIS REGULATION:

Article 1

1. A special tariff quota for high-quality, fresh, chilled or frozen beef and veal falling within CN codes 0201 and 0202 and for products falling within CN codes 0206 10 95 and 0206 29 91 is hereby opened.

The total amount of this quota shall be 11 430 tonnes expressed in weight of the product.

2. The applicable duty for this quota shall be fixed at 20%.

Article 2

In accordance with the procedure laid down in Article 27 of Regulation (EEC) No 805/68, the rules for the application of this Regulation, and in particular:

- (a) provisions guaranteeing the type, provenance and origin of the products;
- (b) provisions relating to the recognition of the document enabling the guarantees provided for in (a) to be ascertained

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(1) OJ No L 148, 28.6.1968, p. 24.  
(2) OJ No L 156, 15.6.1991, p. 16.

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,  
Council

For the

# FINANCIAL STATEMENT

DATE: 23.10.1991

1. BUDGET HEADING: Article 100  
Article 210

APPROPRIATIONS: ECU 1 370 m  
ECU 1 517 m

2. TITLE: Proposal for a Council estimate concerning young male cattle for fattening of not more than 300 kg for the period 1 January to 31 December 1992

3. LEGAL BASIS: Article 13 of Council Regulation (EEC) No 805/68

4. PURPOSE OF MEASURE: To fix the Community's import requirement of young male cattle for fattening at 198 000 head for 1992

5. FINANCIAL IMPLICATIONS	Period of 12 months	Current Financial Year	Following Financial Year	
		1992	1993	
5.0 EXPENDITURE				
- CHARGED TO THE EC BUDGET				
(REFUNDS)	ECU + 122.4 m	ECU + 35.7 m	ECU + 86.7 m	
(INTERVENTION)	ECU + 9.1 m	ECU + 4.2 m	ECU + 4.9 m	
5.1 REVENUE				
- OWN RESOURCES OF THE EC				
(LEVIES/CUSTOMS DUTIES)	ECU + 25.6 m	ECU + 21.3 m	ECU + 4.3 m	
	1994	1995	1996	1997
5.0.1 ESTIMATED EXPENDITURE	Measure covers 1992 only			
5.1.1 ESTIMATED REVENUE				

5.2 METHOD OF CALCULATION: Since this sector is in a situation of surplus, imports would not be made without the concession.

Levy	ECU m (B)
Yugoslavia: 30 000 head x 250 kg x ECU 1 315/t x 25% x 1 145(DR)	= + 2.8
Poland : 128 000 head x 250 kg x ECU 1 315/t x 25% x 1 145(DR)	= + 12.0
Hungary : 30 000 head x 250 kg x ECU 1 315/t x 25% x 1 145(DR)	= + 2.8
Romania : 10 000 head x 250 kg x ECU 1 315/t x 35% x 1 45(DR)	= + 1.3
	+ 18.9
Customs duty: 49 500 t x ECU 850/t x 16%	= + 6.7
Refund: A corresponding quantity should be exported:	
198 000 head x 300 kg (dead weight) x ECU 1 800/t x 1 145(DR)	= + 122.4
Special premium male bovine animals :198 000 head x ECU 40 x 1 145(DR)	= + 9.1

6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?  
YES

6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?

6.2 IS A SUPPLEMENTARY BUDGET NECESSARY?

6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY?

NO

OBSERVATIONS:

The 1992 budget makes provision.

# FINANCIAL STATEMENT

DATE: 23.10.1991

1. BUDGET HEADING: Article 100  
Article 210

APPROPRIATIONS: ECU 1 370 m  
ECU 1 517 m

2. TITLE: Proposal for a Council estimate concerning beef for industrial processing for the period 1 January to 31 December 1992

3. LEGAL BASIS: Article 14 of Council Regulation (EEC) No 805/68

4. PURPOSE OF MEASURE: To fix the Community's import requirement of frozen beef for processing at 0 tonnes for 1992

5. FINANCIAL IMPLICATIONS	Period of 12 months	Current Financial Year	Following Financial Year	
		1992	1993	
5.0 EXPENDITURE				
- CHARGED TO THE EC BUDGET				
- (REFUNDS/INTERVENTIONS)	-	-	-	-
- NATIONAL ADMINISTRATION				
- OTHER				
5.1 REVENUE				
- OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)	-	-	-	-
- NATIONAL				
	1994	1995	1996	1997
5.0.1 ESTIMATED EXPENDITURE				
5.1.1 ESTIMATED REVENUE	Measure covers 1992 only			

5.2 METHOD OF CALCULATION:

6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?  
YES

6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?

6.2 IS A SUPPLEMENTARY BUDGET NECESSARY?

6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY?

NO

OBSERVATIONS:

# FINANCIAL STATEMENT

DATE: 23.10.1991

1. BUDGET HEADING: Article 100  
Article 210

APPROPRIATIONS: ECU 1 137 m  
ECU 1 517 m

2. TITLE: Proposal for a Council regulation concerning a tariff quota for imports of high-quality beef (Hilton beef) for 1992

3. LEGAL BASIS: Article 43 of the Treaty

4. PURPOSE OF MEASURE: Opening of a quota of 11 430 tonnes of high quality beef at 20% duty

5. FINANCIAL IMPLICATIONS	Period of 12 months			
		Current Financial Year 1991	Following Financial Year 1992	
5.0 EXPENDITURE				
- CHARGED TO THE EC BUDGET				
- (REFUNDS)	ECU + 28.3 m	ECU + 17.6 m	ECU + 10.7 m	
5.1 REVENUE				
- OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)	ECU + 4.8 m	ECU + 4.0 m	ECU + 0.8 m	
	1993	1994	1995	1996
5.0.1 ESTIMATED EXPENDITURE	Measure covers 1992 only			
5.1.1 ESTIMATED REVENUE				

5.2 METHOD OF CALCULATION: Since this sector is in a situation of surplus, imports would not be made without the concession.

Levy: No loss of levy in respect of this quota.

Customs duty: 11 430 t x 1.2 x ECU 1 750/t x 20% = ECU + 4.8 m

Refund: A corresponding quantity should be exported:  
11 430 t x 1.2 x ECU 1 800/t x 1 145(DR) = ECU + 28.3 m (B)

6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?  
YES

6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?

6.2 IS A SUPPLEMENTARY BUDGET NECESSARY?

6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY?  
NO

OBSERVATIONS:



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# DOCUMENTS

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