iv) Trends.

There is a shift in the demand for high quality and premium cuts of beef, but price is the main deciding factor.

C. *Country Beef Imports:*

i) Total of beef imports.

Importation of frozen and chilled beef is an important source of supply of beef to meet the increasing total requirement. Appendix 1 shows that Malaysia imports rose from 7,590 MT in 1980 to 50,018 MT in 1991. It is estimated that the local demand for beef will increase to about 65,039 MT by the year 2000. The steep increase in imported beef is partly due to the public confidence in the "Halal" status of the imported beef, the gradual acceptance of imported frozen or chilled beef, and also a result of extensive promotion by beef suppliers.

It is reported that there are about 104 abattoirs and meat processing plants (in Australia, New Zealand, USA, Thailand, and India, to name a few) approved for the production of Halal beef for export to Malaysia.

ii) Imports from Canada

Imports from Canada are very small as there is only one Malaysian Government approved abattoir at the moment.

iii) Imports from major suppliers

India is the main beef supplier for domestic Malaysian consumption. Currently, India supplies almost 90% of beef imported into the country, because of a favourable exchange rate and the close proximity to Malaysia compared to the other beef exporting countries. The supply of meat from Australia has been on the decline, reportedly due to the high exchange rate and increased production costs. Last year, India accounted for about 45 million kgs of the total 48 million kgs of imported beef. This was followed by:

Australia	1.4 million kgs
New Zealand	0.89 million kgs
Argentina	0.52 million kgs
U.S.	0.22 million kgs
Holland	0.06 million kgs