

## BEEF

### ISSUE

Korea currently maintains import restrictions on beef which have been recently determined to be inconsistent with its GATT obligations.

### BACKGROUND

In 1976, Korea introduced restrictions on beef imports which were justified as being consistent with the balance-of-payments (BOPS) provisions of the General Agreement on Tariffs and Trade (GATT). In 1984, Korea suspended virtually all beef imports, but after considerable pressure by major exporters, Korea established a flexible quota which allowed for the import of 50,000 tonnes in 1989.

In response to the imposition of a quota, Korea's major suppliers (Australia, New Zealand and the U.S.A.), pursued their GATT rights through separate panels. Canada entered third party submissions to the three panels, supporting the view that Korea's measures were not consistent with its GATT obligations. All the panels reached this conclusion, finding that the restrictions were contrary to Article XI:1 and that they could not be justified under BOP's provisions. In 1990, Korea finally concluded negotiations with the U.S.A., New Zealand and Australia and has introduced a long-term commitment to eliminate beef quotas by 1997. Korea also proposed sitting down with its suppliers, including Canada, to study the Korean livestock system. The Canadian representative on this joint study committee is Mr. Len Vogelaar, President of the Canadian Beef Exporters Federation.

The Canadian Beef Exporters Federation and the Government of Alberta have targeted Korea as a market of opportunity. While Canada's beef exports increased from 300 tonnes to over 2000 tonnes in 1989, it has dropped in 1990 due to a shortage of supply in Canada.