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MEDIA RELEASE

NEW ZEALAND MEAT INDUSTRY WELCOMES WTO DECISION

“This is excellent news. It will give great satisfaction to meat companies and producers,” said Brian Lynch, Executive Director of the Meat Industry Association. Mr Lynch was commenting on the decision of the WTO Appellate Body to uphold the earlier findings of the WTO Dispute Panel which found that the tariff rate quota were unjustifiably imposed on lamb imports by the Clinton Administration in July 1999.

Mr Lynch said “The US market was worth \$180 million last year, which could have well exceeded \$200 million if import restrictions had not been in place. New Zealand exporters can now resume the steady growth of their lamb trade to the US market.” Mr Lynch said that New Zealand meat companies had not been idle in the US market during the past two years. “Our exporters used that time to consolidate their trading network. This has been helped by continuing steady demand at the upper end of the US market range for our high quality lamb products.”

Mr Lynch noted that given the firm and unambiguous nature of Appellate Body findings, New Zealand exporters now looked to the Bush Administration for early action to remove the import tariff regime. “The WTO appeal process is torturous but rigorous, and in this case it was also time consuming but the outcome is definitive. In previous WTO cases taken by the US against other countries, the US has sought immediate remedial action. We now ask the same of the Bush Administration.”

Mr Lynch said “The outlook for the new season commencing 1 October 2001 is brighter as a consequence of the WTO Appellate Body findings. Notwithstanding the current drought in some parts of the country which has caused production difficulties, the high returns available from the US market will encourage our meat companies and farmers to look to take advantage of the opportunity to respond with increased tonnages to the strong and growing demand for New Zealand lamb in the US market.”

For further comment:

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