

GENERAL AGREEMENT ON DIVISION LINGUISTIQUE
TARIFFS AND TRADE

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Trade Negotiations Committee

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DEFINITION OF AGRICULTURAL PRODUCTS

Communication from the Government of Sweden

In connexion with the discussion at the last meeting of the Trade Negotiations Committee on the definition and treatment of agricultural products (see TN.64/SR.2, pages 4 and 5), the following letter, dated 20 September 1963, from the Swedish delegation is circulated for the information of the Committee:

"With reference to GATT/AIR/343 point 7, I have been instructed by my Government to bring to your knowledge the following Swedish points of view:

"In their Resolution adopted on 21 May 1963 (MIN(63)9) Ministers agreed that the trade negotiations should cover also agricultural products. According to the mandate given to the Trade Negotiations Committee, this Committee shall deal with, i.a., the rules to govern and the methods to be employed in the creation of acceptable conditions of access to world markets for agricultural products. For certain agricultural commodities it was further agreed that general arrangements may be required. However, no definition as to what is to be understood by agricultural products has so far been agreed upon. The Swedish delegation takes the view that such a definition is a pre-condition for a successful negotiation both in the agricultural and the non-agricultural field.

"The special conditions which prevail in the agricultural field are likely to make it difficult for many countries to accept an automatic formula for the reduction of customs duties (or import levies, etc.) on agricultural products. Furthermore, it is well known that the level of tariffs for many processed agricultural and food products has been fixed with regard to the special measures by which the production of the relevant basic agricultural commodity is regulated and protected. For this reason, the work within the Committee on the tariff negotiating plan may be slowed down, unless the uncertainty caused by the lack of an agreed definition is removed. Countries may also, in the absence of such a definition, want to safeguard their position by asking for exceptions, which otherwise would be unnecessary.

"In our view the definition of agricultural products ought to be made by a relatively simple formula, as has been done within the framework of western European integration (cf. Stockholm Convention, Annex D, and Rome Treaty, Annex II).

"A definition of the kind suggested above does of course not imply that any agricultural products be excluded from the liberalization of trade which is the intended outcome of the GATT negotiations.

"The Trade Negotiations Committee has decided to establish an agricultural committee. This committee will have to consider what special measures or treatment may be necessary for agricultural products. This does not exclude that the outcome may be a linear tariff cut in certain cases.

"In order to prepare the work of the agricultural committee the Executive Secretary has invited governments to submit specific proposals. In view of the above-mentioned uncertainty regarding the commodity area that is to be covered by the work of the committee the Swedish delegation does not find it possible at present to submit such proposals.

"We have raised this question of defining agricultural products in order to facilitate a speedy opening of fruitful negotiations."