

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Multilateral Trade Negotiations

Trade Negotiations Committee

MEETING OF JULY 1975

Statement by Chairman of Group "Agriculture"

1. The Group "Agriculture" has held two sessions. The results of the two sessions are summarized, respectively, in documents MTN/AG/1 of 9 May 1975, and MTN/AG/2 bearing today's date, as the second session ended only yesterday.
2. At its first session, the Group discussed the question of how to treat tariffs and non-tariff measures relating to agricultural products. The results of that discussion are recorded in paragraph 2 of the summing-up by the Chairman, MTN/AG/1.
3. The Group has established negotiating sub-groups for three sectors of products which represent a large share in world trade and which are widely traded and, therefore, it was believed, might lend themselves to multilateral solutions. The sectors for which negotiating sub-groups were established are grains; dairy products; and meat. It was understood that other products might be added at a later stage. The sub-groups are dealing with all the elements relevant to trade in these products.
4. The Group emphasized the importance of the application of differential measures to developing countries in ways which will provide special and more favourable treatment for them, especially in the agricultural negotiations, in accordance with the principles and objectives embodied in the Tokyo Declaration.
5. I now come to the work of the sub-groups.
6. The Sub-Group on Grains has held two sessions, in May and June. The Sub-Group heard a number of suggestions or proposals regarding possible approaches; several of these have been circulated. After some discussion, the Sub-Group selected three inter-related categories of topics to which it has addressed itself initially. These are:

- (a) Topics related to the objective of stabilization of prices and markets;

- (b) Topics related to the objective of the expansion and ever-greater liberalization of trade;
- (c) Topics related to the objectives concerning developing countries, including the objective of differentiated treatment, taking into account the interests of importing and exporting developing countries.

7. It has been agreed that the discussion of the elements contained in these categories of topics will be continued at the next meeting of the Sub-Group. It has also been specifically agreed that delegations were free to make further concrete contributions with regard to these elements, and the Sub-Group has agreed to examine all the elements of all proposals that have been made or may be made, with the objective of assessing their content and their relevance to the problems raised and to the objectives of the negotiations. In order to facilitate the work of the Sub-Group, the secretariat has been asked to prepare documentation on international trade in grains, covering wheat, maize, barley and sorghum. The summaries of the two sessions of the Sub-Group on Grains have been issued as documents MTN/GR/1 and 2.

8. The Sub-Group on Meat has held one session so far, on 16-19 June 1975. The Sub-Group decided it would initially deal with trade in bovine meat (including live animals), and it agreed to proceed in two stages. In a first stage it will carry out an analysis (which it would aim to complete at its next meeting) of the specific characteristics, of the structure and of the problems of the world meat trade, including the direct or indirect impact of trade barriers and trade-distorting practices. In a second stage, and with a view to seeking multilateral solutions in this sector, the Sub-Group is to deal with all elements of all proposals that have been or may be made, with the objective of assessing their content and their relevance to the problems raised and to the objectives of the negotiations. In this regard the Sub-Group agreed to deal initially with the elements contained in certain proposals related to:

- (a) the objective of expansion and ever-greater liberalization of trade;
- (b) concerted actions between importing and exporting countries in the conduct of their trade policies, directed to achieving stable and secure trading conditions, as well as in other approaches aiming at the same objective;
- (c) to the special and differentiated treatment which is to be given to developing countries;

(d) forms of international co-operation and its mechanisms.

The work of this Sub-Group is summarized in MTN/ME/1.

9. The Sub-Group on Dairy Products held its first session on 23-25 June 1975. The Sub-Group decided to deal with all dairy products, but that its work would initially bear on anhydrous milk fat and butter, principal cheeses, dried milk (skimmed milk powder and whole milk powder) and casein. It recognized, however, that other dairy products could be introduced into its work at any stage.

10. In a way very similar to that of the Sub-Group on Meat, the Sub-Group agreed to proceed in two stages. It would aim to complete the first, analytical, stage at its next meeting, and would then, in a second stage, deal with all the elements of all proposals that have been made or may yet be made. The types of elements with which the Sub-Group would initially deal bear a certain similarity to those agreed upon in the Sub-Group on Meat; they are listed in the Summary by the Acting Chairman of the Sub-Group on Dairy Products, issued as document MTN/DP/1.

11. I might add that certain of the suggestions and proposals made in the Sub-Group on Meat and Dairy Products have also been circulated.

12. At its second session, which as I mentioned ended yesterday, Group "Agriculture" decided that work in these three Sub-Groups should be actively and intensively pursued.

13. At that session, the question was raised of the procedures that might be adopted in respect of products outside the scope of the three Sub-Groups. Proposals were made for the establishment of further sub-groups for certain products, but the Group considered that this was not desirable at the present time.

14. The Group recognized the legitimate interests of delegations in products outside the purview of the present Sub-Groups, and various proposals on the procedures to be adopted in respect of such products, and the measures affecting them, were put before the Group. The proposals concerned procedures which might apply to all participants in the negotiations, as well as special procedures which might apply to developing countries in particular. The proposals do not lend themselves to summarization. They are set out in document MTN/AG/2, in particular in paragraphs 7, 9 and 11.

15. Although there was extensive discussion of these proposals, the Group was not able, at the meeting just concluded, to reach agreement and it will revert to them at its next session.

16. The Group's attention was drawn to the differing intentions which delegations had expressed in the Sub-Group "Quantitative Restrictions" of the Group "Non-Tariff Measures", as to the body in the framework of the multilateral trade negotiations where these delegations would consider quantitative restrictions on agricultural products.

17. The Group heard four proposals on the procedures that should be adopted in respect of such quantitative restrictions. Again, because of the importance of these proposals and of the principles involved, I will not try to summarize them. Instead, I would invite interested delegations to refer to the texts of the proposals themselves, in paragraph 17 of MTN/AG/2. The Group agreed to revert to these proposals at its next meeting.

18. The Group has agreed to hold its next session in the week beginning 20 October, and is envisaging to meet again in December.