

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

MTN/AG/W/1

23 September 1975

Special Distribution

Multilateral Trade Negotiations

Original: English

Group "Agriculture"

STATEMENT MADE BY THE REPRESENTATIVE OF THE UNITED STATES ON 22 SEPTEMBER 1975

The agreement reached in Group "Agriculture" on 8 May was an important step in establishing a framework within which we could all agree to begin to come to grips with agricultural trade problems. The establishment of Sub-Groups on Grains, Meat, and Dairy Products was a further useful step to ensure that trade problems affecting these particular products receive the concentrated attention they deserve. At the July meeting of Group "Agriculture", a number of additional proposals were advanced to flesh out a work programme to bring the full range of agricultural issues into the mainstream of on-going negotiations.

The United States has carefully examined these proposals and is now prepared to suggest a work programme we sincerely believe all participants should be able to support.

In formulating our position for this meeting, the United States believes we should adopt a work programme which, on the one hand, will enable Group "Agriculture" to deal with the agricultural aspects of multilateral solutions already under way elsewhere in the MTN and, on the other hand, to launch a series of steps to ensure that all agricultural problems of concern to participants - especially the developing countries - receive adequate attention. We therefore have a comprehensive work programme to put forward which we believe encompasses the proposals made at the last meeting concerning quantitative restrictions, and issues of particular interest to developing countries as well as additional work on standards and tariffs.

First, with respect to the proposals concerning the treatment of quantitative restrictions, the United States is prepared to agree that bilateral and plurilateral consultations on quantitative restrictions for agricultural products may be carried out by those countries which so desire under the auspices of Group "Agriculture" on the basis of the Group adopting the same rules and procedures as those established in the Sub-Group on quantitative restrictions. The results of the consultations on agricultural products, wherever conducted, will be reported simultaneously to Group "Agriculture" and to the Quantitative Restrictions Sub-Group and Group "Agriculture" may transmit these results to the Quantitative Restrictions Sub-Group

on a timely and continuous basis. If the Quantitative Restrictions Sub-Group undertakes consideration of a multilateral solution to handle quantitative restrictions, such consideration will be referred to Group "Agriculture" for examination of its agricultural aspects and timely communication of the results of its examination back to the Quantitative Restrictions Sub-Group.

Secondly, we wish to address ourselves to the other proposals made at the last meeting of Group "Agriculture". We believe each of these proposals contains elements of merit and we can support a work programme encompassing many elements of each of them. We suggest that, for agricultural products other than those covered by the Sub-Groups Meat, Grains and Dairy Products, Group "Agriculture" should under take an initial examination of specific barriers affecting trade in those products.

In order to determine which barriers will be the subject of such an examination, the Group should initially take into account any problems affecting those products which are notified to the secretariat as being of special concern to one or more countries and of direct interest for their trade.

Based on country notifications and other available information, the secretariat should prepare relevant documentation on a product basis summarizing all barriers affecting trade in those products. This documentation should be examined by the Group in order to determine whether any of the products lends itself to a multilateral solution. Should the Group find that this is the case, the Group "Agriculture" would then wish to decide how work on this product should proceed. In any event, appropriate aspects of any multilateral solution under consideration would be communicated to other relevant MTN Groups or Sub-Groups on a continuing basis. For example, a solution affecting tariffs on agricultural products would be communicated to the Tariff Group, a solution affecting agricultural quantitative restrictions would be communicated to the Quantitative Restrictions Sub-Group, etc. Any inconsistencies between the work of the various groups would be worked out jointly.

Should the Group decide that a problem or barrier affecting an individual product lends itself to a bilateral or plurilateral approach, the countries involved may engage in consultations, the results of which would be communicated to Group "Agriculture" and to the other relevant Groups or Sub-Groups.

In the implementation of this procedure, the Group will give priority attention to the trade barriers notified by developing countries as a step towards the implementation of paragraph 5 of the Tokyo Declaration.

Two additional areas we consider ripe for examination in Group "Agriculture" are the agricultural aspects of multilateral solutions for standards and tariffs.

As regards standards, work is currently under way in the Sub-Group on Technical Barriers on a draft Standards Code which would establish general rules for the use of standards with respect to industrial and agricultural products. The NTM Group has already agreed that the applicability of the general standard rules to health and sanitary regulations concerning agricultural and tropical products should be examined by the Group "Agriculture" and the Group on Tropical Products. The United States believes that it would be timely for Group "Agriculture" to undertake this examination at its next meeting and provide the results of its work at the Sub-Group on Technical Barriers to Trade. In addition, the United States believes that the Group "Agriculture" should at the same time undertake on its own initiative an examination of the draft Standards Code with respect to other agricultural aspects and provide the results of its examination to the Sub-Group on Technical Barriers on a timely basis.

As regards tariffs, delegations are aware that the Tariff Group is currently in the process of examining various tariff formulae for possible use as the basis for negotiations in that Group. The United States believes that the Group "Agriculture" could usefully undertake an examination of some or all of these formulae at its next meeting. The results of this examination and any recommendations which the Group "Agriculture" may have regarding the implications for agriculture of these formulae should be communicated to the Tariff Group to be taken into account in the final selection of a negotiating formula.

The programme we have put forward is admittedly an extensive one. It would, we believe, enable Group "Agriculture" to put aside the procedural problems that have concerned all of us for too long and to begin to come to grips with the real agricultural interests of our respective countries in these negotiations. It is a pragmatic programme in the sense that it differentiates between work that can be launched in Group "Agriculture" without delay by taking advantage of work already well advanced in other Groups (Standards and Quantitative Restrictions), by ensuring Group "Agriculture's" substantive input at an early stage of MTN consideration of tariffs, and by setting in motion a notification, analysis and consultation procedure for barriers affecting products not already within the purview of existing Sub-Groups of Group "Agriculture" with priority attention to products of interest to developing countries.

The proposals we have put forward will enable Group "Agriculture" to move into the stage of concrete negotiations on specific agricultural issues within the terms of its mandate, to treat the agricultural aspects of multilateral

solutions proposed in other Groups, and to do so in a way that the results of Group Agriculture's work will, as appropriate be provided to the Tariff and Non-Tariff Measures Groups and Sub-Groups on a timely and continuous basis for incorporation in the multilateral solutions to ensure the harmonious and balanced development of all the elements subject to negotiation.