

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Committee on Trade in Agriculture

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DRAFT RECOMMENDATIONS

Presented by the European Communities

The following revision of the draft recommendations (cf. AG/W/8/Rev.1) has been prepared for consideration at the meeting of the Committee to be held on 30 and 31 October 1984.

These draft recommendations take account of certain amendments proposed in the Committee by various contracting parties and accordingly is a compromise text. The Community for its part considers as matters of priority the amendments it is proposing to paragraph 1(b).

In accordance with the Ministerial Declaration adopted on 29 November 1982, pursuant to which the Committee on Trade in Agriculture was established to make recommendations with a view to achieving greater liberalization in the trade in agricultural products (L/5424), and following the Committee's examination of trade measures affecting trade in agriculture, the Committee on Trade in Agriculture submits the following recommendations for consideration by the Council and the CONTRACTING PARTIES:

1. The conditions should be elaborated under which substantially all measures affecting trade in agriculture would be brought under more operationally effective GATT rules and disciplines, with particular reference to improving terms of access to markets, to bringing export competition under greater discipline, to reinforcing the linkages under Articles XI and XVI between national policies and trade measures in a manner which more clearly defines the limits to the impact of domestic agricultural policies on trade, and to more effectively implementing in relation to trade in agriculture the GATT provisions providing for differential and more favourable treatment for developing countries. In this context full account should be taken of the need for a balance of rights and obligations under the GATT as well as of the specific characteristics and problems in agriculture. To this end, and without prejudice to consideration of other approaches also aimed at improving the rules and achieving greater liberalization for trade in agriculture, an approach should be elaborated, as a basis for possible future negotiations, under which:

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(a) all quantitative restrictions and other related measures affecting imports and exports are brought within the purview of strengthened and more operationally effective GATT rules and disciplines, including restrictions maintained under waivers and other derogations or exceptions, and the import and export activities of State trading and other related enterprises. Appropriate negotiating rules relating to voluntary restraint agreements, to variable levies and charges, to unbound tariffs, and to minimum import price arrangements as well as to all import measures applied under Protocols of accession should be elaborated as part of this approach;

(b) all subsidies affecting trade in agriculture are brought within the purview of strengthened and more operationally effective GATT rules and disciplines; with respect to export subsidies and other forms of export assistance, a mechanism is elaborated aimed fundamentally at bringing competition under stricter discipline so that those measures do not cause serious injury to the trade or interests of contracting parties;

(c) sanitary and phytosanitary regulations and other technical barriers to trade, including related administrative requirements, are brought within the ambit of improved procedures aimed at minimizing the adverse effects that these measures can have on trade in agriculture.

2. In order to ensure fuller transparency of all policies and measures affecting trade in agriculture, the policies and measures of contracting parties should be subject to regular review and examination; for this purpose an appropriate system of notifications should be established on a permanent basis.

3. The Committee on Trade in Agriculture should continue in existence for the purpose of elaborating the above approach and reporting on the results achieved to the 41st Session.