



WTO OMC



The WTO and cotton by-products: Mandate, background data and next steps

Geneva, 29 November 2018

“Cotton” before the Nairobi Decision on Cotton (2015)

5201: Cotton, not carded or combed,

5202: Cotton waste (including yarn waste and garnetted stocks), and

5203: Cotton, carded or combed

As set forth in Annex 1 of the Agreement on Agriculture (“Product coverage”).



Ministerial **Mandate**: Nairobi Decision on Cotton (2015)

Several references to “cotton-related products” - MC10 Decision on Cotton (WT/MIN(15)/46)

Paragraph 1	<i>We welcome the progress made voluntarily by some Members towards providing duty-free and quota-free market access for cotton and cotton-related products originating from LDCs.</i>
Paragraph 4	<i>Developed country Members, and developing country Members declaring themselves in a position to do so, shall grant, to the extent provided for in their respective preferential trade arrangements² in favour of LDCs, as from 1 January 2016, duty-free and quota-free market access for exports by LDCs of relevant cotton-related products included in the list annexed to this Decision and covered by Annex 1 of the Agreement on Agriculture.</i>
Paragraph 5	<i>We agree to review the list annexed to this Decision in the Dedicated Discussions on cotton referred to in paragraph 14 of this Decision...</i>
Annex – List	<i>Cotton shells, husks, oil and other food products</i>



Ministerial **Mandate**: List annexed to the Nairobi Decision

ANNEX : LIST1		
Harmonized System 2012 (In grey: rows corresponding to HS6 tariff lines)		
Cotton	520100	Cotton, not carded or combed
	5202	Cotton waste (including yarn waste and garnetted stocks)
	520210	- Yarn waste (including thread waste)
		- Other
	520291	-- Garnetted stock
	520299	-- Other
	520300	Cotton, carded or combed
Cotton shells, husks, oil and other food products	1207	Other oil seeds and oleaginous fruits, whether or not broken - Cotton seeds
	120721	-- Seed
	120729	-- Other
	1404	Vegetable products not elsewhere specified or included
	140420	- Cotton linters
	1512	Sunflower-seed, safflower or cotton-seed oil and fractions thereof, whether or not refined, but not chemically modified - Cotton-seed oil and its fractions
	151221	-- Crude oil, whether or not gossypol has been removed
	151229	-- Other
	1521	Vegetable waxes (other than triglycerides), beeswax, other insect waxes and spermaceti, whether or not refined or coloured
	152110	- Vegetable waxes
	2306	Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetable fats or oils, other than those of heading 23.04 or 23.05
	230610	- Of cotton seeds
	2936	Provitamins and vitamins, natural or reproduced by synthesis (including natural concentrates), derivatives thereof used primarily as vitamins, and intermixtures of the foregoing, whether or not in any solvent - Vitamins and their derivatives, unmixed
	293624	-- D- or DL-Pantothenic acid (Vitamin B3 or Vitamin B5) and its derivatives
	293628	-- Vitamin E and its derivatives





Data: Background Paper (TN/AG/GEN/34/Rev.9 and addenda)

Addendum 2 dedicated to listed cotton-related products

Products covered:

Those cotton-related products listed in the annex to the Nairobi Decision on Cotton (WT/MIN(15)/46)



TN/AG/GEN/34/Rev.9/Add.2
TN/AG/SCC/GEN/13/Rev.9/Add.2

19 November 2018

Page: 1/63

(18-7234)

Committee on Agriculture
Special Session
Sub-Committee on Cotton

COTTON

BACKGROUND PAPER BY THE SECRETARIAT¹

Addendum

This addendum refers to and must be read in conjunction with document TN/AG/GEN/34/Rev.9 - TN/AG/SCC/GEN/13/Rev.9. It provides information on market access data for relevant cotton-related products² as described in Part Three (paragraph 3.5) of document TN/AG/GEN/34/Rev.9 - TN/AG/SCC/GEN/13/Rev.9.



Data: Addendum to the Background Paper (TN/AG/GEN/34/Rev.9/Add.2)

1. TARIFFS

1.1. This section lists bound and applied duties for relevant cotton-related products listed for the 32 Members identified in paragraphs 12 and 13 of document TN/AG/GEN/34/Rev.9 - TN/AG/SCC/GEN/13/Rev.9, using the same methodology and presentation as in Part 3.1 of that document.

Australia

Tariff Line (HS 2007)	BOUND DUTIES			APPLIED DUTIES (Year 2017)		
	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2017)	MFN	LDC PREFERENTIAL
1207	Other oil seeds and oleaginous fruits, 900100 broken:					
120720	- Cotton seeds	1%		12072100 ¹	0%	0%
1404	Vegetable products not elsewhere specified or included:			12072900 ¹	0%	0%
140420	- Cotton linters	0%		14042000	0%	0%
1512	Sunflower-seed, safflower or cotton-seed oil and fractions thereof, 900100 refined, but not chemically modified - Cotton-seed oil and its fractions					
151221	-- Crude oil, 900100 pssypol has been removed	8%		15122100	5%	0%
151229	-- Other	8%		15122900	5%	0%
1521	Vegetable waxes (other than triglycerides), beeswax, other insect waxes and spermaceti, 900100 refined or coloured:					
152110	- Vegetable waxes	0%		15211000	0%	0%
2306	Oil-cake and other solid residues, 900100 ground or in the form of pellets, resulting from the extraction of vegetable fats or oils, other than those of heading 23.04 or 23.05					
230610	- Of cotton seeds	0%		23061000	0%	0%
2936	Provitamins and vitamins, natural or reproduced by synthesis (including natural concentrates), derivatives thereof used primarily as vitamins, and intermediates of the foregoing, 900100 in any solvent - Vitamins and their derivatives, unmixed					
293624	-- D- or DL-Pantothenic acid (Vitamin B3 or Vitamin B5) and its derivatives	0%		29362400	0%	0%
293628	-- Vitamin E and its derivatives	0%		29362800	0%	0%

1 Seed.
2 Other.

United States

Tariff Line (HS 2007)	BOUND DUTIES			APPLIED DUTIES (Year 2017)		
	Designation	Bound Duty	Other Duties and Charges	Tariff Line (HS 2017)	MFN	LDC PREFERENTIAL
1207	Other oil seeds and oleaginous fruits, 900100 broken:					
12072000	- Cotton seeds	0.474/kg		12072100 ¹	0.474/kg	0%
				12072900 ¹	0.474/kg	0%
1404	Vegetable products not elsewhere specified or included:					
14042000	- Cotton linters	0%			0%	0%
1512	Sunflower-seed, safflower or cotton-seed oil and fractions thereof, 900100 refined, but not chemically modified - Cotton-seed oil and its fractions					
15122100	-- Crude oil, 900100 pssypol has been removed	5.66/kg			5.66/kg	0%
15122900	-- Other	5.66/kg			5.66/kg	0%
1521	Vegetable waxes (other than triglycerides), beeswax, other insect waxes and spermaceti, 900100 refined or coloured:					
15211000	- Vegetable waxes				0%	0%
1521100001	-- Casheol	0%			0%	0%
1521100002	-- Other	0%			0%	0%
2306	Oil-cake and other solid residues, 900100 ground or in the form of pellets, resulting from the extraction of vegetable fats or oils, other than those of heading 23.04 or 23.05					
23061000	- Of cotton seeds	0.564/kg			0.564/kg	0%
2936	Provitamins and vitamins, natural or reproduced by synthesis (including natural concentrates), derivatives thereof used primarily as vitamins, and intermediates of the foregoing, 900100 in any solvent - Vitamins and their derivatives, unmixed					
29362400	-- D- or DL-Pantothenic acid (Vitamin B3 or Vitamin B5) and its derivatives	0%		29362400 ¹	0%	0%
29362800	-- Vitamin E (Tocopherols and related compounds with Vitamin E activity) and its derivatives	0%		29362800 ¹	0%	0%

Note: "e/kg" stands for US\$ cent per kilo.
 1 Seed for sowing.
 2 Other than seed for sowing.
 3 Vitamin B3 or B5 (d- or dl-Pantothenic acid) and its derivatives, unmixed, natural or synthesized.
 4 Vitamin E (Tocopherols and related compounds with Vitamin E activity) and its derivatives, unmixed, natural or synthesized.

Chart 3.3: Colombia (COLQ065)

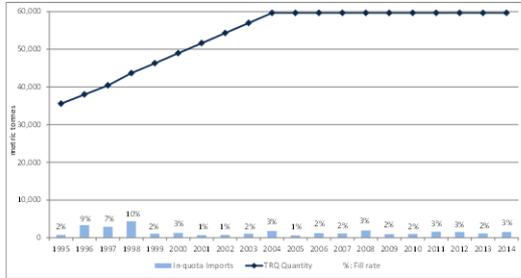
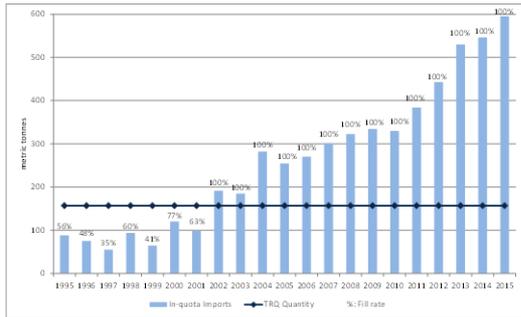


Chart 3.4: Iceland (ISLQ047)



Ministerial Mandate: Nairobi Decision on Cotton (2015)

MC10 Decision on Cotton, WT/MIN(15)/46, Nairobi

Paragraph 5:

“We agree to review the list annexed to this Decision in the Dedicated Discussions on cotton referred to in paragraph 14 of this Decision within two years, on the basis of updated trade statistics provided by Members on their imports from LDCs”



Next steps: C4 suggestion of June 2018 (DD)

Various outstanding questions to be addressed before “looking into expanding the Nairobi List”:

- What are the products at issue?
- What is the margin for growth?
- At what level of transformation?
- What are the key value-addition elements?
- What products are missing from the Nairobi list, if any?
- What are the key trade elements?



Thank you!
Any questions?

cottonclub@wto.org

