

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/3600

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Limited Distribution

AGRICULTURE COMMITTEE

Report to the Council

1. Since drawing up its last report to the Council in December 1970 (L/3472), the Committee has held one meeting, on 14 and 15 October 1971.

2. At that meeting, the Committee considered the documentation on import measures and how best it could contribute to the work of the Group on Licensing of the Committee on Trade in Industrial Products. The Committee also considered the position it had reached in terms of its mandate to search for mutually acceptable solutions, and of the instructions given to it by the Council (C/M/66 paragraph 2).

Documentation on import measures

3. The Committee had directed the secretariat to draw up the documentation on import measures on the basis of information supplied by delegations. The Committee's instructions to the secretariat are contained in its last report L/3472, Annex II, paragraph 4 and COM.AG/22, paragraph 8. The documentation had been issued in the following parts:

COM.AG/W/68	- Summary table
/Add.1	- Annex I: Tariffs
/Add.2/Part 1	- Annex 2: Quantitative restrictions (countries covered by Joint Working Group)
/Add.2/Part 2	- Annex 2: Quantitative restrictions (other countries)
/Add.3	- Annex 3: Variable levies and other special charges
/Add.4	- Annex 4: Part 1 Health and sanitary regulations notified
COM.AG/W/71	Part 2 Various non-tariff barriers

4. The Committee took note of the documentation on import measures and commended the secretariat for the work it had done in accordance with the Committee's earlier instructions. It noted, however, that there were still some weaknesses in the underlying national documentation, in particular, that some of the basic data were missing and that some of the data were not comparable. The Committee decided that, in view of the short time which had been available for the examination of the summary document and its methodology, delegations should be allowed some further time to suggest corrections or improvements to the secretariat for circulation. It noted that suggestions for major changes might have to be examined by the Committee.

5. The Committee restated its intention to keep the documentation up to date. It noted that the Committee on Trade in Industrial Products had agreed to incorporate data for 1970 in the tariff study on industrial products and to add Australia and New Zealand to that study, and agreed that the same should be done with regard to the tariff study on agricultural products.

Licensing

6. The Committee took note of the replies which had been received to the questionnaire on licensing (COM.AG/W/72 and addenda) and recalled that it had been invited by the Council to consider how best it could contribute to the work of the Group on Licensing of the Committee on Trade in Industrial Products (C/M/68, paragraph 11). It noted from the Council's decision that this Group was considering licensing systems as measures of general application but that the Agriculture Committee would have the right to review the applicability to the agricultural sector of any solutions evolved. The Committee considered that it could, in fact, best contribute to work in this area by examining any results which emerge from the Group, it being understood that the Committee would not be expected simply to accept or reject these results but to consider whether the modifications were necessary to make these results applicable to the agricultural sector.

The search for mutually acceptable solutions

7. The Committee noted that, when adopting the last report of the Committee, the Council had decided that delegations should be invited to put before the Committee, as soon as possible, further suggestions as to ways in which the principal problems facing trade in agricultural products might be dealt with, to make more specific the suggestions that had been made where this had not already been done and the Committee should carry out such analyses of the suggestions as it considers appropriate. The Council also decided that, without prejudice to the right of any contracting party to invoke established GATT consultation procedures, the Committee should pursue, at any time, such opportunities as might arise for the settlement of particular trade problems (C/M/66, paragraph 2).

8. The Committee noted that, although no specific proposals had been put before it since that time, an Australian suggestion for the establishment of an expert group had been advanced during the informal high level meeting of contracting parties held in April 1971. The Australian delegation's suggestion was that an expert group of independent individuals experienced in trade and agricultural matters should be charged with drawing up concrete proposals, on an ad referendum basis, which could offer the prospect of ensuring meaningful undertakings in the field of agricultural trade. Several delegations said that the Australian proposal merited serious consideration and the Australian delegation informed the Committee that the proposal would be pursued during the forthcoming session of the CONTRACTING PARTIES.

9. One delegation was of the view that progress might be made if the Committee considered the proposals on export subsidies, import restrictions and production policies put forward earlier by his delegation. This delegation was equally

willing to consider proposals put forward by others. It recalled that the specific proposals (L/3472 paragraphs 13, 16, 17 and 39) had never been discussed in detail. This delegation realized that the various parts of agricultural policies were intertwined but asked whether this had to prevent any progress. It noted that, in the case of export subsidies for example, its government already had the authority to negotiate, and believed that the other main interested governments might be in a similar situation.

10. A number of other delegations noted that they would be willing to co-operate in a more detailed examination of the proposals referred to above if the countries principally affected indicated that such work might be profitable.

11. Other delegations said that the proposals referred to were not new and that their position on these proposals were well-known - it was not possible to deal, for example, with export subsidies across-the-board outside a broad negotiation on all aspects of agricultural policies, although it might be possible to find solutions to particular problems if a consensus existed among the parties principally concerned.

12. These delegations said that, while no new suggestions had been put specifically before the Committee and while the Committee had held only one short meeting in the course of the past year, a considerable amount of work had been accomplished in connexion with the establishment of the documentation on import measures. These delegations pointed out that the Committee had also assembled a wide range of possible solutions but that it was not useful to explore individual suggestions in further detail since none commanded support wide enough for any solution to be qualified as mutually acceptable.

13. After some further discussion, the Committee was led to the conclusion that the situation had not changed significantly since it had presented its last report to the Council. The Committee recalls that its essential task is to seek mutually acceptable solutions but notes that these have not yet been found. The Committee is therefore of the opinion that, as far as this task is concerned, further progress may very well depend on appropriate decisions to be taken by the CONTRACTING PARTIES. The Committee agrees that its previous report (L/3472) as well as the present report be submitted to the CONTRACTING PARTIES for consideration at their twenty-seventh session.