

TRADE IN AGRICULTURE

Fortieth Session of the CONTRACTING PARTIES

Action taken on 30 November 1984

The CONTRACTING PARTIES adopted the following recommendations (L/5732):

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 market access and supplies, including measures maintained under exceptions or derogations, and of the operation of the General Agreement as regards subsidies affecting agriculture, including export subsidies and other forms of export assistance, 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. 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, approaches should be elaborated, as a basis for possible future negotiations, under which:

(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 rules and disciplines relating to voluntary restraint agreements, to variable levies and charges, to unbound tariffs, and to minimum import price arrangements should be elaborated as part of this approach;

(b) all subsidies affecting trade in agriculture, including export subsidies and other forms of export assistance, are brought within the purview of strengthened and more operationally effective GATT rules and disciplines. With regard to export subsidies and other forms of export assistance, including subsidized export credits, both the following approaches should be elaborated in parallel:

- an approach based on improvements in the existing framework of rules and disciplines;
- an approach based on a general prohibition subject to carefully defined exceptions, in conjunction with improvements in the existing rules and disciplines and their application;

(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. The policies and measures of contracting parties should be subject to regular review and examination and that for this purpose the system of notifications introduced by the Committee should, with appropriate improvements, be implemented on a permanent basis in order to ensure fuller transparency with regard to all policies and measures affecting trade in agriculture.

3. In the elaboration of the various elements of these approaches, full account should be taken of the need for a balance of rights and obligations under the GATT; of the special needs of the developing countries in the light of the GATT provisions providing for differential and more favourable treatment for such contracting parties; and of specific characteristics and problems in agriculture.

4. The Committee on Trade in Agriculture should continue in existence in order to examine in depth, in the framework of a general solution covering all problems relating to trade in agriculture as defined in the Ministerial Declaration, all the above approaches, and to report on the progress achieved not later than the 41st Session.