

GENERAL AGREEMENT ON TARIFFS AND TRADE

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AGRICULTURE

The following communication, dated 1 July 1986, has been received from the delegation of Australia with the request that it be circulated to all members of the Preparatory Committee on behalf of the following contracting parties: Australia, Chile, Colombia, Hungary, Thailand and Uruguay.

Successful negotiations on Agriculture require, inter alia, agreed statements of commitment to a process of liberalisation in agricultural trade and agreement on objectives for negotiations.

Statements of Commitment

Given the extent and profound character of the problems in international trade in agriculture commitments need to be substantive and comprehensive. Accordingly, in the Preamble to the Declaration, there should be a paragraph which reflects the firm commitments by [Ministers] which will be necessary if progress is to be achieved on Agriculture. The following is proposed:

"As a commitment to the process of liberalisation in the specific area of agricultural trade which is recognised as being subject to an especially high level of restrictions and distortions, [Ministers] agreed to extend in the particular case of agriculture the commitments to standstill and rollback, particularly in respect of measures affecting access to markets for agricultural products and subsidies affecting agriculture, including export subsidies and other forms of export assistance. [Ministers] agreed to respect commitments to liberalisation already undertaken, particularly in the area of tariffs.

"[Ministers] undertook a commitment to phase-out agricultural export subsidies over a period not exceeding six years, the details of which will be negotiated in the course of the Round. [Ministers] also undertook a commitment to the greater liberalisation of tariff and non-tariff measures and, as a starting point, to minimum levels of access to markets for all products falling within the agricultural sector.

"[Ministers] commit their Governments to adjust progressively national policies so as to eliminate all obstacles to full integration of this sector within the GATT rules.

"[Ministers] agreed to take into account the special needs of the developing countries in the light of GATT provisions for differential and more favourable treatment for such countries."

Objectives for Negotiations

The Ministerial meeting launching the Multilateral Trade Round should decide on the objectives of the negotiations on Agriculture. The following objectives are proposed:

"The aim of negotiations will be to liberalise access to markets and to eliminate the use of export subsidies in agricultural trade, in accordance with the terms of the Preamble. The negotiations on Agriculture will be conducted on the basis of an approach under which substantially all measures affecting import access and export competition will be brought under strengthened and more operationally effective GATT rules and disciplines. The Recommendations adopted by the CONTRACTING PARTIES in 1984 will help form the negotiating framework. The elaborating work on possible negotiating options carried out by the GATT Committee on Trade in Agriculture will be taken into account."