

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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Group of Negotiations on Goods (GATT)  
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NEGOTIATING GROUP ON AGRICULTURE

(25-26 September 1989)

Statement by Brazil

Special and Differential Treatment

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1. The Uruguay Round has entered in the beginning of its final phases. Last July, in the TNC Meeting, decisions were taken on how our time should be allocated from now up to November 1990, when this Round will come to an end. Among the landmarks settled by the TNC, there is one specifying that up to December 1989 "it would be essential to have the respective positions of participants clearly established by means of written proposals or statements in the different groups".
  2. The Cairns Group Ministerial statements of Budapest and Waitangi noted that "the application of differential and more favourable treatment for developing countries should be specified". Brazil continues to work hard, together with other Cairns Group countries, in order to develop concrete ways to materialize the special and differential treatment.
  3. Brazil would like to advance, now, some of its own general concepts on this issue, in order to enable us to have a more structured debate. The points presented are highlights of more specific ideas. We feel that to start with a more concrete debate on the special and differential treatment, something that we did not have in this group up to now, the initial approach should be necessarily general. This will pave the way for more specific and concrete suggestions in the near future. It is worth stressing that we are not locked in any specific approach. We are convening some concrete ideas and we hope that other participants could also engage in this debate, in order to help us have a more clear picture of the options in this field.
  4. All participants are committed to the establishment of a "fair and market-oriented agricultural trading system". In the Mid-Term Ministerial Decision, it is stated that "Government measures on assistance, whether direct or indirect, to encourage agricultural and rural development are an integral part of the development programmes of developing countries".

These measures include programmes and measures linked to the development objectives of developing countries and therefore measures in these fields should not be included in any list of support measures to be negotiated by developing countries.

5. The implementation of reform commitments regarding a more market responsive agriculture by developing countries must be coupled with the application of indispensable flexibilities. As pointed out in the Mid-Term Decision, "special and differential treatment to developing countries is an integral element of the negotiations". We tried to set out below a non-exhaustive list of instruments to achieve this flexibility. As an initial general principle, we feel that developing countries must be allowed to set priorities on various measures and their implementation schedules.

6. In more concrete terms, some of the elements that will help materialize the needed flexibility are:

(a) Longer time-frames

Developing countries should be allowed extended periods for implementing and completing the reform process. Such periods would be re-adjusted as genuine difficult circumstances arise.

(b) Differential treatment in the application of commitments

In the area of access, this could be expressed by lower cuts in tariffs and non-tariff measures than the generally agreed target. It should also include flexibility in the area of quantitative restrictions. In the support area, measures forming an integral part of development programmes of developing countries, as mentioned before, will not be negotiated. For trade-distorting support measures, the cuts will be lower than the agreed targets. Consistent with the concepts outlined above, if an AMS is used in the negotiations, certain items linked to measures "to encourage agricultural and rural development" and infrastructure costs should not be included in calculations of developing countries' AMS aiming at specific concessions.

7. In the area of sanitary and phytosanitary regulations the most important is to eliminate the discriminatory treatment that developing countries have been facing. The idea of longer time-frames for the implementation of new measures and standards, once they have been enforced at national level by the participant demanding compliance with, could be useful. Developing countries should also be compensated for losses in value or share of their exports to individual markets either as a consequence of frequent changes in domestic sanitary regulations or of the application of sanitary regulations without multilateral scientific support.

8. In the area of the developing net food importing countries, their legitimate needs should also be considered. By applying the measures outlined above, some of the concrete problems of those countries may be alleviated. However, it should also be studied what could be done in GATT, as well as what would, necessarily, be done outside GATT, to take into account their needs. As a first concrete step, it should be considered a definition of developing net food importing countries.

9. As we stressed in the beginning, these ideas are just some preliminary and general views on this issue. As the negotiating process evolves, we reserve the right to present some concrete details on the points outlined above.