

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG5/W/182  
31 July 1990

Special Distribution

Group of Negotiations on Goods (GATT)  
Negotiating Group on Agriculture

Original: English/  
Spanish

TWENTY-THIRD SESSION OF THE NEGOTIATING GROUP ON AGRICULTURE: JULY 1990

Communication from Mexico

The purpose of this communication is to specify the situation as regards product coverage in the Uruguay Round Negotiating Group on Agriculture (NG5) and its implications for the negotiations concerned.

It appears from the Punta del Este and Mid-Term Review documents that the negotiations should cover all agricultural products, including horticultural products. Otherwise, it would not make sense for the Punta del Este text to have established that "negotiations shall aim to achieve greater liberalization of trade in agriculture", and for the Mid-Term Review document to have specified that strengthened and more operationally effective GATT rules and disciplines "should encompass all measures affecting directly or indirectly import access and export competition".

Although in view of the above there should not be any doubt that the negotiations cover all agricultural products, it is a matter of concern that so far the Negotiating Group's attention and efforts have concentrated fundamentally on the treatment to be given to basic food commodities, such as grains, cereals, dairy products, sugar, meat, oilseeds and so forth, without due consideration and time being devoted to other agricultural products, in particular horticultural products. Furthermore, this situation has become more confused as a result of the position adopted by a number of participants in the Round, whose proposals in the Negotiating Group on Tariffs excluded all of Chapters 1-24 of the Harmonized System (or their equivalents in other nomenclatures), on the assumption that such products would be negotiated in the Negotiating Group on Agriculture.

This communication is a reminder that, regardless of the group in which these products may be negotiated, the commitment to including them in the negotiations in all their aspects, including the tariff reduction objective, is real and irrevocable.

The lack of a clear and explicit decision on product coverage and the form in which each one will be negotiated has prevented a great part of participants in the Round from being able to evaluate in any way the foreseeable real benefits for their countries ensuing from the agricultural reform programme that may be agreed in the Uruguay Round. For many

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countries, the results achieved on horticultural products will be of capital importance, if not the sole means, of them to be able to obtain benefits from the agricultural negotiations that would justify their participation in them.

While these countries have reiterated their firm commitment to the Negotiating Group's objectives, as well as their wish that the results should be as ambitious as possible, clearly their contribution will directly depend on the benefits they obtain through the reform programme in general and from the substantive improvements afforded as regards conditions of market access for the products of interest to them in particular.

In view of the foregoing, Mexico proposes that in the framework/profile to be agreed at the Meeting of the Trade Negotiations Committee that will be held in July 1990, the following should be agreed:

- (a) a clear and explicit definition to the effect that the negotiations in the Negotiating Group on Agriculture shall cover all agricultural products, including horticultural products, that are not the subject of the Negotiating Objective of other sectoral groups of the Round;
- (b) the reduction or elimination of tariffs for the various categories of agricultural products, including horticultural products, shall be equal to or greater than the targets set in the Mid-Term Review text for the tariff negotiations, that is to say, at least 33 per cent starting from the base rate; and
- (c) elimination of all non-tariff barriers applied to agricultural products, the elimination of which has not been encompassed by any of the general measures that may be applied to agricultural products as a whole.