

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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Group of Negotiations on Goods (GATT)

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Negotiating Group on Agriculture

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

Statement by Brazil (12 July 1990)

We are noticing major efforts towards liberalization of trade in agriculture on the part of countries from Latin America, Central and Eastern Europe and Asia. Such efforts are to be commended, mainly those coming from countries which did not enter into commitments for liberalization in the short term in the Uruguay Round. We should all prevent the undesirable possibility that proposals coming from those regions, even the most timid ones, are not accorded due recognition.

Let me now comment briefly on the draft of the framework agreement you presented, Mr. Chairman. As you heard from the Chairman of the Cairns Group, your paper was considered by our Ministers, who met in Santiago last week, a basis for negotiations. In fact, it was considered a minimum basis, as stated in paragraph 13 of the document called "conclusions of the Ministerial meeting of the Cairns Group".

My Government considers your text, Mr. Chairman, to be a basis for negotiations, exactly as the Cairns Group does, but we believe it needs substantial improvements, if our intention is to preserve it as a basis for agreement until the end of the Round. My delegation is ready to contribute to the improvement of your paper, whenever others consider it appropriate to propose amendments to it. Our general comments at this stage would be:

1. we agree to seek agreement on the four main areas suggested by you: internal support, border protection, export competition and SPS measures;
2. some concepts will have to be clarified in your proposal, such as "equivalent commitments" to the AMS;
3. tariffication can be considered a basis for reform but it needs adjustments so that results of calculations may reflect, for instance, special economic situations, excessive rates of inflation and unreal price policies which might occur in some of our countries;

4. as you know, the Cairns Group and Brazil favour a total elimination of export subsidies, instead of its gradual and substantial reduction, as your paper suggests;
5. with regard to product coverage I would like to quote from the statement made by the Brazilian Minister of Agriculture in Santiago, the following: "there has been no systematic discussion on product coverage and it happened that our negotiators have been acting each with a different coverage in mind. Time has come to define clearly this matter. On our part we prefer a wide product coverage to include all agricultural products. This would avoid our agreements to be too narrow in scope, and also avoid that just a few should benefit from reform and liberalization in agricultural trade;
6. environment protection would have to be properly addressed in your paper; we suggest that paragraph 7 of Cairns Ministers' conclusions be taken as reference, for it recognizes that "the shrinking of markets of interest to developing countries due to protectionist measures can cause serious damage to the environment. Low income for farmers, and limited access to markets and new technologies can lead to inadequate use of land and over-exploitation of forestry resources with a negative impact on the environment";
7. finally, the concept of rebalancing should be clearly banned from all possible association with the concepts referred to in your paper.

Let me turn to sanitary and phytosanitary measures now to state that the Working Group on SPS regulations and barriers still has a long way to go before we accept a draft agreement in that area. Just to mention one example of the difficulties we still have in that Group I point out that the scope of the proposed agreement is yet to be defined, for some prefer it to cover all aspects of SPS measures including technical ones, while others, like my delegation, would only concentrate on the trade-related aspects of SPS, which are the primary concern of GATT.

You mentioned this morning, Mr. Chairman, the Brazilian proposal in the area of market access. In this connection, please note that the elimination of non-tariff measures, autonomously implemented by Brazil as from 15 March 1990, should be considered an integral element of the Brazilian initial and conditional offer in the market access negotiations. Our liberalization effort to be sustained will depend on: (1) the scope and interest of the offers to be made by our trading partners; (2) the favourable evolution of the external trade environment and (3) the balance-of-payments situation, especially in light of a successful conclusion of the negotiations regarding the servicing of our external debt.

To end my remarks I would like to repeat what we have been stating that this Round of Negotiations will not be successful without a substantial outcome in agriculture; in this connection, my Government reserves its right to judge, when the moment comes, if the results we will have in agriculture are to be considered successful and substantial, if they can be accepted in light of our development needs and if they correspond to the liberalizing measures towards trade in agriculture my Government has been adopting.