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**Committee on Agriculture  
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**REFORM OF AGRICULTURAL TRADE IN TERMS OF MARKET ACCESS****COMMUNICATION FROM ARGENTINA, BRAZIL, PARAGUAY AND URUGUAY**

The following communication, dated 16 November 2023, is being circulated at the request of the aforementioned Members.

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**1 INTRODUCTION**

1.1. International trade plays a key role in our food security and nutrition, by facilitating broad and timely access to agricultural products through integration into local, regional and global supply chains, thus making food more affordable and readily available. That is why, in order to provide a suitable response to global food insecurity challenges, the World Trade Organization must make a decisive push forward in all areas of agricultural reform.

1.2. According to the Food and Agriculture Organization of the United Nations (FAO), the definition of food security adopted at the World Food Summit (WFS) states that "[f]ood security exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life".

1.3. FAO data indicates that some 800 million people are currently affected by hunger, despite the fact that enough food is produced around the world to meet the needs of the entire global population. FAO also outlines four main dimensions of food security: physical availability of food; economic and physical access to food; food utilization; and stability of the other three dimensions over time.

1.4. Reforming agricultural trade in terms of market access has the potential to support efforts in each of the four dimensions of food security: increasing the physical availability of food, by enabling it to be redistributed from regions with surplus production to regions with a shortfall; economic accessibility, by increasing the available supply and drawing on the comparative advantages of other countries and regions in certain products, resulting in cheaper food; food utilization, by providing consumers with the possibility of a more varied diet; and stability, especially insofar as open trade is ensured under predictable rules, which, as a whole, would reduce the risk of shortages in domestic markets and would mitigate the volatility of local and international prices, thereby ensuring more resilient supply chains.

1.5. The elements presented in this submission contribute in particular to the stability dimensions, given that they would enhance predictability for both exporters and importers, securing the livelihoods of producers, particularly in developing and least developed countries where agriculture and the agro-industry remain the main drivers of the economy and one of the main sources of direct and indirect jobs.

1.6. Elements that address issues such as tariff escalation are also central to development, productive diversification and poverty reduction in developing and least developed countries.

1.7. In addition, reducing tariffs and tariff protection for agricultural products would allow resources to be used and distributed more efficiently, which would result in higher output with a lower environmental impact, enabling better conservation.

## 2 TARIFF SIMPLIFICATION

2.1. Using the list of concessions approved in the most recent version of the Harmonized System (HS), Members will amend their schedules of concessions, before the Fourteenth Ministerial Conference, in order to convert bound non-*ad valorem* tariffs for agricultural products<sup>1</sup> to simple *ad valorem* tariffs.

2.2. To this end, Members with bound non-*ad valorem* tariffs shall submit, within a period of [X] months, a table with their corresponding bound and applied tariffs in terms of fixed *ad valorem* equivalents.

2.3. The method for converting final bound non-*ad valorem* tariffs to the *ad valorem* equivalents shall be the unit value method based on the Integrated Database (IDB) import data using the most recent three-year period for which data is available.

2.4. In all cases, Members shall supply supporting data that demonstrates that the proposed simplified bound tariff is representative of, and does not amount to any increase over, the original more complex tariff and that the proposed simplification is in conformity with the agreed methodology.

2.5. In the event that a Member considers that the simple *ad valorem* tariff for one or more products proposed by another Member as a result of this exercise is higher than the previous bound tariff, the Member may request a review of the calculation methodology with a view to reaching an understanding on the appropriate tariff level.

2.6. At the request of Members, the WTO Secretariat shall provide advice on relevant technical issues and the necessary technical assistance to carry out this exercise.

2.7. Members that still have unbound tariff levels, shall complete the tariff binding process in simple *ad valorem* terms, taking as a binding ceiling the average tariff level applied in the last three years following the adoption of this Decision, within the time frame laid down in paragraph 2.1.

## 3 TARIFF ESCALATION

3.1. Members shall review bound tariffs on primary and processed products on the basis of the tariff escalation list contained in the Annex to this document. Tariffs on processed products may not exceed [X]% of the tariffs on the primary products to which they correspond.

3.2. This review shall be undertaken immediately after the completion of the tariff simplification process provided for in paragraph 2, and shall be concluded within a period of [X] months.

## 4 HIGH TARIFFS AND TARIFF PEAKS

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4.1. The maximum tariff value shall be defined as the value obtained by multiplying by three the simple average *ad valorem* tariff equivalent for the entire tariff universe.

4.2. Notwithstanding the application of this calculation, the maximum tariff value may not exceed a tariff of 100 percentage points.

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4.1. Where, after the conclusion of the tariff escalation review process provided for in section 3, Members have bound tariffs equal to or greater than 50%, such tariffs shall be reduced as follows:

- (a) where the final bound tariff or *ad valorem* equivalent is equal to or greater than 50% and less than 100%, the reduction shall be [25]%;

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<sup>1</sup> "Agricultural products" shall be understood to mean those covered by Annex 1 to the Agreement on Agriculture.

- (b) where the final bound tariff or *ad valorem* equivalent is equal to or greater than 100% and less than 150%, the reduction shall be [35]%;
- (d) where the final bound tariff or *ad valorem* equivalent is equal to or greater than 150%, the reduction shall be [45]%;
- (d) where the final bound tariff or *ad valorem* equivalent is equal to or greater than 200%, the reduction shall be [55]%.

4.2. Members shall make the relevant adjustments to ensure that the lowest tariff resulting from the application of the above formula in each band is no lower than the highest tariff resulting from the application of the formula in the immediately preceding band.

4.3. Notwithstanding the application of these calculations, final bound tariffs may not exceed a tariff of 100 percentage points.

## 5 TARIFF QUOTA REVIEW

5.1. Members with tariff quotas in their schedules of concessions shall improve the market access conditions provided for therein, through:

- (a) the reduction of all bound in-quota tariffs by [X]%, ensuring that they are at least [Y]% lower than the MFN bound tariffs for the corresponding products<sup>2</sup>; or
- (b) the expansion of the volumes of the tariff quotas with a view to ensuring that they represent at least [20]% of current domestic consumption of the products included therein, for those tariff quotas with an average fill rate of more than 65% over the past five years, excluding the lowest and highest value.

5.2. In cases where the average tariff quota fill rate is less than [80]%, this improvement in market access conditions may be achieved through one of the above options, or through combinations thereof, which should be considered on a case-by-case basis.

5.3. In cases where the average tariff quota fill rate is equal to or greater than [80]%, the quota volume should be expanded.

## 6 SPECIAL AGRICULTURAL SAFEGUARD

6.1. Until final tariff reduction commitments are adopted in accordance with section 8 of this proposal, Members shall refrain from using existing safeguards under Article 5 of the Agreement on Agriculture.

6.2. Once the tariff reduction formula has been adopted in accordance with section 8 of this proposal, Article 5 of the Agreement on Agriculture shall be eliminated definitively.

## 7 CONTINUATION OF THE REFORM PROCESS AND ADOPTION OF THE TARIFF REDUCTION FORMULA

7.1. Members shall define clear parameters for achieving meaningful market access through a tariff reduction formula to be agreed, at the latest, at the Fourteenth WTO Ministerial Conference.

7.2. Future improvements in market access to be made through the application of the aforementioned tariff reduction formula shall take the tariff levels defined under section 4 of this proposal as a starting point.

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<sup>2</sup> Where products of different tariff lines are included in a tariff quota, the simple average MFN bound tariff shall be considered for the products concerned.

**ANNEX****TARIFF ESCALATION LIST****Meat and edible meat offal**

Primary product	Processed product
0102 - Live bovine animals	0202 - Meat of bovine animals, frozen  0504.00 - Guts, bladders and stomachs of animals (other than fish), whole and pieces thereof, fresh, chilled, frozen, salted, in brine, dried or smoked <sup>1</sup>  4101 - Raw hides and skins of bovine (including buffalo) or equine animals (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared), whether or not dehaired or split  4101.90 - Other, including butts, bends and bellies

**Dairy**

Primary product	Processed product
0401 - Milk and cream, not concentrated nor containing added sugar or other sweetening matter	0402.10 - Milk and cream in powder, granules or other solid forms, of a fat content by weight exceeding 1.5%  0402.21 - Milk and cream in powder, granules or other solid forms, of a fat content, by weight, not exceeding 1.5%, not containing added sugar or other sweetening matter  0402.29 - Other  0403 - Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa  0404 - Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included  0404.10 - Whey and modified whey, whether or not concentrated or containing added sugar or other sweetening matter  0405 - Butter, including dehydrated butter and ghee, and other fats and oils derived from milk; dairy spreads  0405.10.00 - Butter  0405.20.00 - Dairy spreads  0405.90 - Other  0406 - Cheese and curd  0406.10 - Fresh (unripened or uncured) cheese, including whey cheese, and curd  0406.90 - Other cheese  1702.11 - Lactose in solid form and lactose syrup, not containing added flavouring or colouring matter, containing by weight 99% or more lactose, expressed as anhydrous lactose, calculated on the dry matter  1702.19 - Lactose in solid form and lactose syrup, not containing added flavouring or colouring matter, containing by weight less than 99% lactose, expressed as anhydrous lactose, calculated on the dry matter

<sup>1</sup> Of bovine animals, as the category under HS code 0504.00 is broader than bovine animals.

**Vegetables**

<b>Primary product</b>	<b>Processed product</b>
0702.00 - Tomatoes, fresh or chilled	2002 - Tomatoes, prepared or preserved otherwise than by vinegar or acetic acid  2002.10.00 - Tomatoes, whole or in pieces, prepared or preserved otherwise than by vinegar or acetic acid  2002.90.00 - Other  2007.10 - Jams, fruit jellies, marmalades, fruit or nut puree, and fruit or nut pastes, obtained by cooking, whether or not containing added sugar or other sweetening matter, in the form of homogenized preparations, as infant food or for dietetic purposes, put up for retail sale in containers of a content not exceeding 250g  2007.99 - Jams, fruit jellies, marmalades, fruit or nut purée, and fruit or nut pastes, obtained by cooking, whether or not containing added sugar or other sweetening matter (excluding citrus fruit and homogenized preparations)  2009.50 - Tomato juice  2103.20 - Tomato ketchup and other tomato sauces
0707.00 - Cucumbers and gherkins, fresh or chilled	0711.40 - Cucumbers and gherkins provisionally preserved  2001.10 - Cucumbers and gherkins prepared or preserved by vinegar or acetic acid
0709.60 - Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i>	0904.20 - Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> , dried or ground
0714.10 - Cassava	1108.14 - Cassava starch  1903 - Tapioca and substitutes therefor prepared from starch, in the form of flakes, grains, pearls, siftings or in similar forms
0701.90 - Potatoes, fresh or chilled except seed	0710.10 - Potatoes (uncooked or cooked by steaming or boiling in water), frozen  1105 - Flour, meal, powder, flakes, granules and pellets of potatoes  2004.10 - Potatoes prepared or preserved, frozen  2005.20 - Potatoes prepared or preserved otherwise than by vinegar or acetic acid, not frozen

**Fruits and Nuts**

<b>Primary product</b>	<b>Processed product</b>
0801.11 - Coconuts, desiccated	1513.11 - Crude coconut oil
0801.19 - Coconuts, excluding desiccated	1513.19 - Other coconut oil  2306.50 - Oilcake and other solid residues of coconut  2308 - Vegetable materials and vegetable waste
0805.10.00 - Oranges	2007.91.00 - Citrus fruit
0805.50 - Lemons	2007.99 - Other  2009.11.00 - Frozen  2009.19.00 - Other  2009 - Juice of any other citrus fruit:  2009.31 - Of a Brix value lower or similar to 20*
0803.10.00 - Plantains	2007.99 - Other
0803.90.00 - Other	

Primary product	Processed product
0806.10 - Grapes, fresh	2009.69 - Grape juice (including grape must), unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter, of a Brix value not exceeding 30 at 20°C 2204.10 - Sparkling wine of fresh grapes 2204.21 - Wine of fresh grapes, including fortified wines; grape must with fermentation prevented or arrested by the addition of alcohol, in containers holding 2l or less (excluding sparkling wine)
0808.20 - Pears and quinces, fresh	2008.40 - Pears, otherwise prepared or preserved 2009.80 - Juice of any single fruit or vegetable (other than juice of any single citrus fruit, pineapple, tomato, grape, or apple) unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter*
0809.10 - Apricots, fresh	2008.50 - Apricots, otherwise prepared or preserved
0809.20 - Cherries, fresh	0812.10 - Cherries, provisionally preserved 2008.60 - Cherries, otherwise prepared or preserved
0809.30 - Peaches, including nectarines, fresh	2008.70 - Peaches including nectarines, otherwise prepared or preserved
0809.40 - Plums	0813.20 - Prunes, dried
0811.10.00 - Strawberries*	2008.80.00 - Strawberries*

### Coffee

Primary product	Processed product
0901.11 - Coffee, not roasted: Not decaffeinated	0901.12 - Coffee, not roasted, decaffeinated 0901.12 - Coffee, not roasted, decaffeinated 0901.21 - Coffee, roasted: Not decaffeinated 0901.22 - Coffee, roasted: Decaffeinated 0901.90 - Other (coffee husks and skins, coffee substitutes containing coffee) 2101.11 - Extracts, essences and concentrates* 2101.12 - Preparations with a basis of extracts, essences or concentrates or with a basis of coffee
0903.00 - Maté	2101.20 - Extracts, essences and concentrates, of tea or maté, and preparations with a basis of these extracts, essences or concentrates or with a basis of tea or maté

### Spices

Primary product	Processed product
0910.10 - Ginger	2006.00 - Other fruits, vegetables and nuts, preserved by sugar 2008.99 - Other fruits and edible parts of the plant, prepared or preserved*

### Oilseeds

Primary product	Processed product
12.01 - Soya beans, whether or not broken	1208.10 - Soya bean flour and meal 1507.10 - Crude oil, whether or not degummed, of soya bean oil and its fractions, not chemically modified 1507.90 - Refined oil of soya beans and its fractions, but not chemically modified 23.04 - Oil cakes of soya beans

Primary product	Processed product
1202.10 - Ground-nuts, in shell, not roasted or otherwise cooked	1202.20 - Ground-nuts, shelled, whether or not broken, not roasted or otherwise cooked  1208.90 - Flours and meals of oil seeds or oleaginous fruits, other than those of soya beans or mustard*  1508.10 - Crude ground-nut oil , not chemically modified  1508.90 - Refined ground-nut oil, not chemically modified  2008.11 - Ground-nuts, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included  23.05 - Oilseed cake of ground-nuts
1205.10 - Low erucic acid rape or colza seeds, whether or not broken	1208.90 - Flours and meals of oil seeds or oleaginous fruits, other than those of soya beans or mustard*  1514.11 - Low erucic acid rape or colza oil, crude, not chemically modified  1514.19 - Low erucic acid rape or colza oil, refined, not chemically modified  2306.41 - Of low erucic acid rape or colza seed
1205.90 - Rape or colza seeds, whether or not broken	1208.90 - Flours and meals of oil seeds or oleaginous fruits, other than those of soya beans or mustard*  1514.91 - Crude rape, colza or mustard oil and fractions thereof, not chemically modified  1514.99 - Refined rape, colza or mustard oil and fractions thereof, not chemically modified; Other
12.06 - Sunflower seeds, whether or not broken	1208.90 - Flours and meals of oil seeds or oleaginous fruits, other than those of soya beans or mustard*  1512.11 - Crude sunflower-seed or safflower oil and fractions thereof, not chemically modified  1512.19 - Refined sunflower-seed or safflower oil and fractions thereof, not chemically modified  2306.30 - Oilseed cake of sunflower seeds
1207.60 - Safflower seeds	1208.90 - Flours and meals of oil seeds or oleaginous fruits, other than those of soya beans or mustard*  1512.11 - Crude sunflower-seed or safflower oil and fractions thereof, not chemically modified  1512.19 - Refined sunflower-seed or safflower oil and fractions thereof, not chemically modified
1207.10 - Palm nuts and kernels, whether or not broken	1208.90 - Flours and meals of oil seeds or oleaginous fruits, other than those of soya beans or mustard*  1511.10 - Crude palm oil and its refractions, not chemically modified oil  1511.90 - Palm oil and its fractions, whether or not refined, but not chemically modified; Other  2306.60 - Oilseed cake of palm nuts or kernels

Primary product	Processed product
1207.20 - Cotton seeds, whether or not broken	1208.90 - Flours and meals of oil seeds or oleaginous fruits, other than those of soya beans or mustard*  1512.21 - Crude cotton-seed oil and its fractions, whether or not gossypol has been removed, not chemically modified  1512.29 - Refined cotton-seed oil and its fractions, not chemically modified  1521 - Vegetable waxes (of cotton)  2306.10 - Oilseed cake of cotton seeds
1207.40 - Sesamum seeds	1208.90 - Flours and meals of oil seeds or oleaginous fruits, other than those of soya beans or mustard*  1515.50 - Sesame oil and its fractions  2306.90 - Oilseed cake, not otherwise specified*
1206.00 - Sunflower seeds, whether or not broken	1512.11 - Sunflower-seed or safflower oil and fractions thereof: Crude oil

### Sugar

Primary product	Processed product
1212.93 - Sugar cane	1701.11 - Cane or beet sugar and chemically pure sucrose, in solid form: Raw sugar not containing added flavouring or colouring matter: cane sugar  1701.13 - Cane sugar, in solid form, not containing added flavouring or colouring matter, obtained without centrifugation, with sucrose content 69° to 93°, containing only natural anhydrous microcrystals (see subheading note 2)  1701.14 - Cane sugar other than that under subheading 1701.13, in solid form, not containing added flavouring or colouring matter  1701.99 - Cane or beet sugar and chemically pure sucrose, in solid form (excl. cane and beet sugar containing added flavouring or colouring and raw sugar)  2207.10 - Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol. or higher  2207.20 - Ethyl alcohol and other spirits, denatured, of any strength  2222.18 - Ethanol

### Cocoa

Primary product	Processed product
1801.00 - Cocoa beans, whole or broken, raw or roasted	1802.00 - Cocoa shells, husks, skins and other cocoa waste  1803.10 - Cocoa paste, not defatted  1803.20 - Cocoa paste, wholly or partly defatted  1804.00 - Cocoa butter, fat and oil  1805.00 - Cocoa powder, not containing added sugar or other sweetening matter  1806.10 - Cocoa powder, containing added sugar or other sweetening matter  1806.20 - Chocolate, containing cocoa, in blocks, slabs or bars >2 kg  1806.31 - Chocolate in blocks, slabs or bars, filled  1806.32 - Other, in blocks, slabs or bars, not filled  1806.90 - Other food preparations containing cocoa



**Cereals**

<b>Primary product</b>	<b>Processed product</b>
1001.10 - Durum wheat	11.01 - Wheat or meslin flour* 1103.11 - Groats and meal, of wheat* 1103.20 - Pellets* 1108.11 - Wheat starch 11.09 - Wheat gluten, whether or not dried 1902.11 - Pasta, containing eggs 1902.19 - Other pasta, not stuffed, cooked or otherwise prepared (other than those containing egg) 1902.20 - Stuffed pasta, whether or not cooked or otherwise prepared 1902.30 - Other pasta 1905.20 - Gingerbread 1905.31 - Sweet biscuits 1905.32 - Waffles and wafers
1001.90 - Wheat, other	11.01 - Wheat or meslin flour* 1103.11 - Groats and meal, of wheat* 1103.20 - Pellets* 1108.11 - Wheat starch 11.09 - Wheat gluten, whether or not dried 1905.20 - Gingerbread 1905.31 - Sweet biscuits 1905.32 - Waffles and wafers
10.03 - Barley	1103.19 - Groats and meal, of other cereals* 1103.20 - Pellets* 1104.19 - Rolled or flaked grains, of other cereals* 1104.29 - Other worked grains, of other cereals* 1107.10 - Malt, not roasted 1107.20 - Malt, roasted 1901.90 - Malt extract and food prep of flour, groats, meal or starch, other than for infant preparations, other than for use in mixes and doughs
10.04 - Oats	10.06 - Germ of cereals, whole, rolled, flaked or ground, or otherwise worked, except rice of heading 1103.19 - Groats and meal, of other cereals* 1103.20 - Pellets* 1104.12 - Rolled or flaked grains: Of oats 1104.22 - Other worked grains: Of oats

Primary product	Processed product
1005.90 - Maize (corn), other than seed	1102.20 - Maize (corn) flour 1103.13 - Groats and meal, of maize (corn) 1108.12 - Maize (corn) starch 1515.29 - Other fixed maize oil other than not refined, but not chemically modified 1901.10 - Preparations for infant use, put up for retail sale* 1901.20 - Mixes and doughs for the preparation of bakers' wares of heading 19.05* 1904.10 - Prepared foods obtained by the swelling or roasting of cereals or cereal products* 1905.90 - Other* 2005.80 - Sweet corn, prepared or preserved, other than by vinegar or acetic acid, not frozen 2207.10 - Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol. or higher 2207.20 - Ethyl alcohol and other spirits, denatured, of any strength 2222.18 - Ethanol
1006.10 - Rice in the husk (paddy or rough)	1006.20 - Husked or brown rice 1006.30 - Semi-milled or wholly milled rice, whether or not polished or glazed 1006.40 - Broken rice 1102.30 - Rice flour 1103.19 - Groats, meal and pellets, of other cereals* 1904.20 - Prepared foods obtained from unroasted cereal flakes or from mixtures of unroasted cereals flakes and roasted cereal flakes or swelled cereals* 2302.20 - Bran, sharps and other residues of rice
10.07 - Sorghum	1904.10 - Prepared foods obtained by the swelling or roasting of cereals or cereal products* 1904.20 - Prepared foods obtained from unroasted cereal flakes or from mixtures of unroasted cereals flakes and roasted cereal flakes or swelled cereals*
53.02 - True hemp ( <i>Cannabis sativa</i> L.), raw or processed but not spun; tow and waste of true hemp (including yarn waste and garnetted stock)	5302.90.00 - Other

#### Other products

Primary product	Processed product
02109911 - Meat of fowls of the species <i>Gallus domesticus</i>	2309.10 - Dog or cat food
120810 - Soya bean meal	
15019000 - Poultry fat	
110220 (1102.20.00.900E) - Maize (corn) flour, other	
110313 (1103.13.00.900V) - Groats and meal of maize, other	

\* In cases where the HS heading can be associated with more than one primary product, the tariff escalation modality would apply only if a Member has scheduled the processed product at the product specific level.