PREPARATIONS FOR THE MINISTERIAL MEETING

Communication from Australia
(Suggested amendments to document C/W/403)

The Chairman of the Council has received from the delegation of Australia the following communication dated 19 November 1982, with the request that it be given the same circulation as was given to document C/W/404.

PROPOSALS BY AUSTRALIA

1. Declaration, paragraph 5

   Retain words "limit export subsidies having prejudicial effects on trade".

2. Declaration, paragraph 7(i) and (ii)

   Australia suggests that the European Communities' proposal in respect of 7(i) and (ii) be not accepted.
   
   In respect of the introduction to paragraph 7 and sub-paragraphs (i) and (ii), Australia proposes that the existing texts be deleted and replaced by the following:
   
   "7. The contracting parties undertake individually and jointly:

   (i) not to take any new measures, or to intensify existing measures, that have the effect of protecting domestic markets or that adversely affect international competition except as specifically provided for under the General Agreement;

   (ii) the progressive elimination of measures having the effect of protecting domestic markets or that adversely affect international competition other than those measures specifically provided for under the General Agreement."
3. **Declaration, paragraph 7(vii)**

Australia proposes that the suggested text by the European Communities be not accepted.

Australia proposes to replace the existing text by the following:

"fuller integration of agricultural trade into the multilateral trading system and its equitable treatment through new, improved and more effectively applied GATT provisions on both market access and export competition in order to improve the growth of world trade in all its facets; to this end, a Committee on Agriculture shall be established to undertake a programme of work to prepare for decisions by Ministers."

In the agriculture chapter, pages 7 and 8

4. Australia suggests that the Communities' proposal be not accepted.

Australia proposes that the existing text on "Trade in Agriculture" (pages 7 and 8 of document C/W/403) be replaced by the following:

"Having regard to the implementation of the specific undertakings set out in para (vii) and with the purpose of achieving the objectives of the General Agreement, including Part IV, the contracting parties agree to set in train a programme of work in pursuit of improved market access and the further liberalization of agricultural trade and as a basis for decisions to be taken by Ministers at a meeting to be held in 1984 in relation to the following matters:

- the progressive reduction of restrictive measures affecting agricultural trade, including the reduction of tariff and non-tariff barriers and safeguard measures for the purpose of bringing about a substantial liberalization of agricultural trade;

- the continuing effective limitation on the use of export subsidies seriously prejudicial to the trade or interests of contracting parties;

- the adequacy of the rules of the GATT in relation to agricultural trade with the objective of more fully integrating agricultural trade into the multilateral trading system;\(^1\)

\(^1\)(To be finalized in light of the decision taken on the progressive and substantial reduction in the level of export subsidies. The above reference also presupposes a separate chapter on subsidies as contained in L/5395.)
- the elimination of exceptions to and exemptions from the rules covering agricultural trade including waivers and the Protocol of Provisional Application;

- provisions to ensure the predictable access to markets and supplies, with provision for growth.

In order to facilitate the work programme, an improved system of notification shall be introduced, and national agricultural policies shall be examined so as to determine their effect on international trade.

A Committee on Agriculture is hereby established, open to all contracting parties, charged with the task of undertaking the work necessary to assist Ministers in making the decisions foreshadowed above. In carrying out this task, the Committee shall take due account of the special needs of developing countries. The Committee will develop specific, practical negotiating possibilities and will forward these to the Council and the CONTRACTING PARTIES for consideration as soon as possible, and not later than their 1984 Session."