AGRICULTURE COMMITTEE

The examination under the terms of reference for the Agriculture Committee, agreed upon by the CONTRACTING PARTIES at the twenty-fourth session, of the problems in agriculture will of necessity entail reference to specific commodity problems, but the initial approach ought to focus on general classes of problems which characterize most of agricultural trade and production. The purpose of the examination is to provide the basis for the discussion of the means whereby, in the view of the Committee, mutually acceptable solutions to these problems could be achieved.

The tasks of the Committee for the present stage are:

I. International markets

1. Examine the structure of international markets for the eight commodity sectors, to ascertain the trends in international prices, quantities traded and the relative importance of free and regulated markets and non-commercial transactions.

2. On the basis of an inventory of measures and mechanisms influencing exports and imports identify the repercussions of such measures and mechanisms upon international markets, in particular:

(a) Determine what portion of agricultural trade benefits directly or indirectly from export assistance, either governmental or otherwise, from special export pricing practices, or from other export practices.

- Examine impact of export subsidies and determine in what commodity groups are subsidies most prominent and significant.

- Examine impact of all export pricing practices having substantially equivalent effect as subsidies, and determine in what commodity groups these practices are most prominent and significant. This could include two price systems, certain bilateral arrangements, and exports by marketing or monopoly boards. State trading could also be similarly examined.

- Examine problems relating to non-commercial export transactions.
(b) Determine what portion of agricultural trade is affected by import control measures, including quotas, minimum import prices and tariffs, levies or other charges.

- Review all quantitative restrictions, or other measures having equivalent effect, whether or not maintained for balance-of-payments reasons or covered by waiver, or whether or not justified under any other provision of the General Agreement or protocol of accession, and examine their effects.

- Examine the impact on trade of the various commodity groups of tariffs, levies or minimum import requirements.

II. Production policies

1. Examine the motivations and general orientation of production policies.

2. Examine the measures aiming at the orientation, support, limitation, stimulation, rationalization of production, including specific aspects as related to given products.

3. Examine the concept and the level of overall support.

4. Examine the impact of production policies upon markets:

- examine supply balance sheets by country for the major products traded internationally;

- examine prices received by producers, prices on internal markets.

All members of the Committee which have a significant influence on the situation of the markets of the products concerned shall participate in the work under the two respective main headings.