# WORLD TRADE

# **ORGANIZATION**

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**Committee on Trade and Development** 

# SPECIAL AND DIFFERENTIAL TREATMENT: IMPLEMENTATION AND PROPOSALS

#### I. INTRODUCTION

- 1. This document updates the information contained in document WT/COMTD/W/77 on the implementation of provisions relating special and differential treatment in WTO Agreements, Decisions, Understandings and Declarations. The structure of the document resembles that of document WT/COMTD/W/77. Updated information is either provided in the form of "general comments" or in the form of a table, where the updated information relates to a specific provision. Only those provisions for which updated information exists are listed. For a full compilation of special and differential treatment provisions, the reader is referred to document WT/COMTD/W77.
- 2. The document makes use of the typology of special and differential treatment categories used in WT/COMTD/W77. As stated in that document, there are six categories of special and differential treatment provision:
  - (i) provisions aimed at increasing the trade opportunities of developing country Members;
  - (ii) provisions under which WTO Members should safeguard the interests of developing country Members;
  - (iii) flexibility of commitments, of action, and use of policy instruments;
  - (iv) transitional time periods;
  - (v) technical assistance;
  - (vi) provisions relating to least-developed country Members.
- 3. In addition to information on the implementation on existing provisions relating to special and differential treatment, this paper contains a section on proposals relating to special and differential treatment in the area of agriculture. This section draws on the proposals submitted to the Special Session of the Committee on Agriculture (as compiled in the series G/AG/NG//W--). The specific elements of these different proposals have been grouped by category using the typology of special and differential treatment presented above.

#### II. SPECIAL AND DIFFERENTIAL TREATMENT: INFORMATION BY AGREEMENT

#### A. GENERAL AGREEMENT ON TARIFFS AND TRADE 1994

#### 1. Understanding on Balance-of-Payments Provisions

#### General Comments with Respect to the Understanding on Balance-of-payments Provisions

In preparing for its full consultation in 2000, a least-developed country requested and received technical assistance from the Secretariat in drawing up a plan to phase-out the remaining restrictions it maintains for balance-of-payments purposes.

#### B. AGREEMENT ON AGRICULTURE

The Agreement on Agriculture, together with the Decision on Members Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries, contain 18 special and differential treatment provisions. The special and differential treatment provisions of the Agreement and the Decisons jointly cover all six types of special and differential treatment provisions.

- 1. <u>Provisions aimed at increasing trade opportunities for developing countries:</u> One provision (the Preamble to the agreement).
- 2. <u>Transition time periods</u>: One provision (Article 15.2).
- 3. <u>Flexibility of commitments, of action, and use of policy instruments:</u>
  Nine provisions (Article 6.2; Article 6.4; Article 9.2(b)(iv); Article 9.4; Article 12.2; Article 15.1; Public stockholding for food security purposes: Annex 2, para. 3, footnote 5; Domestic food aid: Annex 2, para. 4, footnotes 5 & 6; Annex 5, Section B).
- 4. <u>Provisions relating to measures to -developed country Members:</u> Two provisions (Article 16.1 and Article 16.2).

The General Council Decision on Implementation-related issues of 15 December 2000 stated that: "the Committee on Agriculture shall examine possible means of improving the effectiveness of the implementation of the Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries and report to the General Council at the second regular meeting of the Council in 2001."

#### **Flexibility**

#### Article 6.2

(Domestic Support Commitments). In accordance with the Mid-Term Review Agreement that government measures of assistance, whether direct or indirect, to encourage agricultural and rural development are an integral part of the development programmes of developing countries, investment subsidies which are generally available to agriculture in developing country Members and agricultural input

Developing countries took account of the provision in the establishment of their Schedules. Documents G/AG/NG/S/1 and Corr. 1 (dated 13 and 25 April 2000), G/AG/NG/S/2 (dated 19 April 2000) and G/AG/NG/S/12 and G/AG/NG/S/12/Rev.1

subsidies generally available to low-income or resource-poor producers in developing country Members shall be exempt from domestic support reduction commitments that would otherwise be applicable to such measures, as shall domestic support to producers in developing country Members to encourage diversification from growing illicit narcotic crops. Domestic support meeting the criteria of this paragraph shall not be required to be included in a Member's calculation of its Current Total AMS. *Article* 6.4 (b) (Domestic Support Commitments- calculation of Developing countries took account of the current total AMS) For developing country provision in the establishment of their Schedules. Members, the de minimis percentage under this Actual use of this provision is reflected in paragraph shall be 10 per cent G/AG/NG/S/2 document

- C. DECISION ON MEASURES CONCERNING THE POSSIBLE NEGATIVE EFFECTS OF THE REFORM PROGRAMME ON LEAST-DEVELOPED AND NET FOOD-IMPORTING DEVELOPING COUNTRIES
- 1. <u>Provisions under which WTO Members should safeguard the interests of developing country Members:</u>

Four provisions: (the Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries, paragraphs 3(i) and paragraph 3 (ii); 4 and 5.

G/AG/NG/S/12/Rev.1.

#### 2. <u>Technical assistance</u>:

One provision (the Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries, paragraph 3(iii).

All the provisions of the Decision cover positive actions to be taken by members with respect to developing country Members, including least developed countries. The right hand column provides information on their implementation.

#### General comments

The WTO list of net food-importing developing countries as it currently stands includes: all LDCs; and Barbados, Botswana, Côte d'Ivoire, Cuba, Dominican Republic, Egypt, Honduras, Jamaica, Kenya, Mauritius, Morocco, Pakistan, Peru, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Sri Lanka, Trinidad and Tobago, Tunisia and Venezuela (G/AG/5/Rev.4, dated 3 April 2001, refers).

Provision Comment

# Provisions under which WTO Members should safeguard the interests of developing country Members

#### Paragraph 3(I)

To review the level of food aid established periodically by the Committee on Food Aid under the Food Aid Convention 1986 and to initiate negotiations in the appropriate forum to establish a level of food aid commitments sufficient to meet the legitimate needs of developing countries during the reform programme.

In 1998/99, food aid shipments by Food Aid Convention (FAC) donors reached an estimated 8.1 million tonnes, 2 million tonnes more than in 1997/98 and 2.8 million tonnes more than the aggregate annual minimum commitment. Preliminary data for 1999/2000 indicate that FAC donors collectively supplied 8.3 million tonnes (wheat equivalent) to eligible recipients, with a million supplied further **€**150 against commitments expressed in value terms. Document G/AG/W/42/Rev.3 refers

#### Paragraph 3(ii)

To adopt guidelines to ensure that an increasing proportion of basic foodstuffs is provided to least-developed and net food-importing developing countries in fully grant form and/or on appropriate concessional terms in line with Article IV of the Food Aid Convention 1986.

The Singapore Ministerial Conference agreed that the recommendations referred to above should include guidelines to ensure that an increasing proportion of food aid is provided to leastdeveloped and net food-importing developing countries in fully grant form and/or on appropriate concessional terms in line with Article IV of the current FAC, as well as means to improve the effectiveness and positive impact of food aid. Document G/AG/NG/S/4, Section 2; Table 6 of document G/AG/NG/S/3; and Table 6 G/AG/W/42/Rev.3 show that this recommendation is largely followed by all food donor Members.

#### Paragraph 4

Ensure that any agreement relating to agricultural export credits makes appropriate provision for differential treatment in favour of least-developed and net food-importing developing countries.

Ministers reaffirmed this commitment at the SMC. In the ongoing negotiations on an understanding regarding agricultural export credits undertaken within the framework of the OECD, consideration is being given to this matter (OECD statement in G/AG/GEN/15, page 8 refers). The further negotiations which have taken place in 2000 have advanced the discussions in a number of areas but the negotiations have not yet been concluded. (G/AG/W/42/Rev.3 refers).

At its meeting on 18 October 2000, the Special Session of the General Council referred to the Committee on Agriculture implementation related issues which had been identified in the report presented by the Director-General and the Chairman of the General Council on their consultations on implementation issues and concerns as being appropriate for such action. The relevant part of this report, which constitutes

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Comment

the Committee's mandate in this matter, is as follows:

"On tiret 6, regarding the development of

"On tiret 6, regarding the development of internationally agreed disciplines to govern the provision of export credits, export credit guarantees or insurance programmes pursuant to Article 10.2 of the Agreement, I propose, on the basis of our discussions, that the General Council instruct the Committee on Agriculture to include in the agenda of its regular meetings an item on the implementation of Article 10.2 and to report back on the Committee's progress on this issue to the General Council at its last regular meeting of this year.

It is my understanding that in pursuing their work on export credits in accordance with Article 10.2, Members will of course take into account the provisions of paragraph 4 of the Marrakesh Decision on net food-importing countries, in which Ministers agreed that any agreement on export credits should ensure appropriate provision for differential treatment in favour of least-developed and net food-importing developing countries."

Documents G/AG/6 and G/AG/8 refer.

### Paragraph 5

As a result of the Uruguay Round certain developing countries may experience short-term difficulties in financing normal levels of commercial imports and that these countries may be eligible to draw on the resources of international financial institutions under existing facilities, or such facilities as may be established, in the context of adjustment programmes, in order to address such financing difficulties. In this regard, Ministers take note of paragraph 37 of the report of the Director-General to the CONTRACTING PARTIES to GATT 1947 on his consultations with the Managing Director of the International Monetary Fund and the President of the World Bank (MTN.GNG/NG14/W/35).

Document G/AG/W/42/Rev.3, pages  $\underline{10-15}$  provides data on the ability to finance commercial imports, and the availability of funds from relevant financing facilities.

#### **Technical assistance**

#### Paragraph 3(iii)

To give full consideration in the context of their aid programmes to requests for the provision of technical and financial assistance to least-developed and net food-importing developing countries to improve their agricultural productivity and infrastructure.

In addition, Attachment 6 of G/AG/W42/Rev.3 provides an overview of spending on bilateral technical and financial assistance programmes as notified by Members, including in a number of cases funding given to multilateral organizations and other aid programmes.

#### D. SANITARY AND PHYTO-SANITARY MEASURES.

Special and Differential Treatment provisions under the SPS Agreement fall under three broad categories:

1. <u>Provisions under which WTO Members should safeguard the interests of developing country Members</u>

Two provisions (Articles 10.1 and 10.4).

#### 2. Transitional time periods:

Three provisions (Articles 10.2, 10.3 and 14).

#### 3. Technical assistance:

One provision (Article 9).

#### General comments

At its Special Session on 18 October 2000, General Council requested the SPS Committee "to examine the concerns of developing countries regarding the equivalence of SPS measures and to come up with concrete options as to how to deal with them".

On the basis of the discussions held to date, the Committee endorsed the following conclusions:

- (i) While noting the concept of equivalence is not about "duplication" or "sameness of measures", the Committee recognized that equivalence may take many different forms, ranging from the acceptance of the equivalence of particular sanitary and phytosanitary measures to protect against specific risks in a specific product, to formal systems-wide or broad-ranging agreements on equivalence. The Committee also recognized that the more broad-ranging the equivalence agreement, the more difficult it may be to conclude.
- (ii) The provision and exchange of data and information is critical for the recognition of equivalence. Therefore, Members reaffirm their commitment, in accordance with Article 7 and Annex B, paragraph 3, of the SPS Agreement, that their SPS Enquiry Point will provide requested information on recognition of equivalence, as well as on their participation in any bilateral or multilateral equivalence agreements, including the texts of such agreements.
- (iii) To further enhance transparency, Members will inform the SPS Committee of their recognition of the equivalence of the sanitary and phytosanitary measures of other Members.

The Committee agreed to continue its work with regard to equivalence to develop concrete guidance, based on contributions from Members and in close cooperation with the relevant standard-setting bodies, that will enhance the opportunity for all Members, and in particular developing country Members, to benefit from the recognition of equivalence, including through equivalence agreements.

(See G/L/423 and G/L/445)

| Provision                                 | Comment                                       |
|---|---|
| Provisions under which WTO Members should | safeguard the interests of developing country |
| Members                                   |   |

Article 10.4

Members should encourage and facilitate the active participation of developing country Members in the relevant international organisations.

The General Council Decision 15 December 2000 stated that: " In accordance with the request to the Director-General to work with the relevant international standard-setting organizations on the issue of the participation of developing countries in their work, these urged organizations are to ensure participation of Members at different levels of development and from all geographic regions, throughout all phases of standard development." (see WT/L/384).

At its Special Session on 18 October 2000 the General Council agreed to the proposal by the Chairman, with respect to the SPS Agreement, that the Director-General explore with the relevant international standard-setting organizations and relevant intergovernmental organizations financial and technical mechanisms to assist the participation of developing countries in standard-setting activities; and that the Director-General coordinate efforts with the relevant international standard-setting organizations to identify SPS-related technical assistance needs and how best to address these, taking into consideration the importance of bilateral and regional technical assistance in this regard.

The reports on actions taken by the Director-General pursuant to the mandate handed to him are contained in documentsWT/GC/42 and WT/GC/45. The latter also contains information on issues raised by the heads of different standard-setting organisations with respect to the participation of developing countries.

### E. THE AGREEMENT ON TECHNICAL BARRIERS TO TRADE

The Agreement on Technical Barriers to Trade contains provisions under five of the six categories of Special and Differential Treatment. The 17 provisions for special and differential treatment can be classified as follows:

1. <u>Provisions under which WTO Members should safeguard the interests of developing country Members:</u>

Seven provisions (Article 10.6; Article 12.1; Article 12.2; Article 12.3; Article 12.5; Article 12.9; and Article 12.10).

- 2. <u>Flexibility of commitments, of action, and use of policy instruments:</u> One provision (Article 12.4).
- 3. <u>Transition Time Periods</u>: One provision (Article 12.8).
- 4. <u>Technical Assistance</u>:

Seven Provisions. (Article 11.1; Article 11.2; Article 11.3; Article 11.4; Article 11.5; Article 11.6; Article 12.7).

5. <u>Provisions relating to measures to assist least-developed country Members:</u> One provision (Article 11.8).

#### General comments

The subjects of technical assistance and special and differential treatment was an integral part of the Second Triennial Review of the implementation and operation of the agreement conducted by the Committee.

The Committee recognized the importance of ensuring that solutions were targeted at the specific priorities and needs identified by individual or groups of developing country Members that would allow them to effectively implement as well as benefit from the Agreement. This called for an assessment at the national level taking into account the specific situation of each Member. Effective coordination at the national level between authorities, agencies and other interested parties was considered essential to identify relevant infrastructure requirements and needs and to establish priorities.

The Committee noted that in accordance with the mandate provided by the General Council, the Director-General had been requested through his good offices to contact relevant international standardizing bodies and intergovernmental organizations to explore financial and technical mechanisms to assist the participation of developing countries in international standard-setting activities and to identify TBT-related technical assistance needs and how best to address these. In pursuing its further work, the Committee emphasized the importance of ensuring that its efforts complemented, and did not duplicate, the work by the Director-General and other WTO bodies in this field.

The Committee noted the importance of the coordination and cooperation of donor countries and organizations. The Committee took note of a number of capacity building programmes involving joint efforts to combine the expertise and experience of different organizations.

Recognizing the Integrated Framework for Least Developed Countries, and the ongoing work in other fora of the WTO, including the General Council and the Committee on Trade and Development, the Committee agreed that coordination and cooperation between the Committee and other relevant WTO bodies should be strengthened in order to effectively and efficiently address the issue of trade-related technical assistance in the context of the TBT Agreement.

The Committee noted that provision of technical assistance, including technical assistance under Article 11, could be directed at both the national and regional level. In this context, the Committee recognized the importance of technical cooperation and capacity-building, pursued through a range of cooperative activities, as an appropriate means of enhancing technical confidence. The Committee noted that technical assistance and cooperation could be delivered in different forms.

The Committee recognized the importance of enhancing the effectiveness of technical assistance and cooperation and agreed to build on the results of the Workshop held in July 2000 with

a view to identifying realistic and practical options for progress. The objective would be to develop a demand driven technical cooperation programme related to the Agreement, taking into account existing and proposed technical assistance activities, as well as seeking ways to achieve more effective cooperation and coordination among donors to better target the needs identified by developing country Members. The Committee invited Members on a voluntary basis to further communicate information on technical assistance programmes they proposed, provided or received.

The Committee agreed that the programme would need to evolve on the basis of the following elements: design of a survey with the assistance of relevant international, regional and bilateral organisations to assist developing countries in needs identification; identification and prioritization by developing and least developed country Members of their specific needs in the TBT field; consideration of existing technical assistance activities by multilateral, regional and bilateral organizations with a view to the effective and efficient development of technical assistance programmes; enhancement of co-operation between donors; reassessment of needs in light of agreed priorities, identification of technical assistance partners and financial considerations. The Committee agreed that the progress made in implementing the programme should be assessed by the Committee in the context of the Third Triennial Review and the Committee should also reflect its work on the programme in its Annual Report to the General Council.

The Committee also recalled its decision (G/TBT/1/Rev 6, page 22) in relation to technical assistance that "Technical assistance would remain as an item of the agenda of the Committee on a permanent basis and would be included on the agenda of a regular meeting of the Committee when so requested by a Member in accordance with the agreed procedures."

At its special Session on 18 October 2000, the General Council requested the TBT Committee "to examine the problems faced by developing countries in both international standards and conformity assessment, and to explore possible solutions in the context of the ongoing Triennial Review." A summary of discussions held by the TBT Committee in the context of the Second Triennial Review of the TBT Agreement is contained in document G/L/422. The General Council also requested the Director-General to explore with relevant organizations, financial and technical mechanisms to assist the participation of developing countries in international standard-setting activities. Following a meeting with a number of organisations, the Secretariat has started a project, with the help of these relevant organizations, to compile information on the following headings: (i) specific TBT-needs of different groups of developing countries; and (ii) existing technical assistance activities provided by the various organizations. Members were invited to submit relevant information to the Secretariat by 31 May 2001 on their specific needs and national experiences in relation to technical assistance received and provided in the TBT area. (see G/TBT/SPEC/18)

<sup>&</sup>lt;sup>1</sup> G/TBT/9 – The Second Triennial Review Report – sets out the observations of the Committee on the challenges faced by developing countries in the various TBT areas, and Members may find this a useful reference resource in compiling their national information.

# Article 12.5

Members shall take such reasonable measures as may be available to them to ensure that international standardizing bodies and international systems for conformity assessment are organized and operated in a way which facilitates active and representative participation of relevant bodies in all Members, taking into account the special problems of developing country Members.

Provision

#### Comment

The General Council Decision of 15 December 2001 stated that: "In accordance with the request to the Director-General to work with the relevant international standard-setting organizations on the issue of the participation of developing countries in their work, these organizations are urged ensure to participation of Members at different levels of development and from all geographic regions, throughout all phases of standard development." At its Special Session on 18 October 2000 the General Council agreed to the proposal by the Chairman, with respect to the TBT Agreement, that the Director-General explore with the relevant international standard-setting organizations and relevant intergovernmental organizations financial and technical mechanisms to assist the participation of developing countries in standard-setting activities; and that the Director-General coordinate efforts with the international standard-setting relevant organizations to identify TBT-related technical assistance needs and how best to address these, taking into consideration the importance of bilateral and regional technical assistance in this

A report on actions taken by the Director-General pursuant to the mandates handed to him can be found in GC/W/42.

The TBT committee adopted a decision on principles for the development of international standards, guides and recommendations with respect to artcile2, 5 and annex III of the TBT agreement, to ensure transparency, openness, impartiality and consensus, effectiveness and relevance, coherence, and to address the concerns of developing countries. The decision states the same principles should also be observed when technical work or a part of the international delegated under standard development is agreements contracts bv international or relevant standardizing bodies other to organizations, including regional bodies.

#### F. TRADE-RELATED INVESTMENT MEASURES

There are four special and differential treatment provisions in the TRIMS agreement, which fall into three separate categories as follows:

1. <u>Flexibility of commitments, of action, and use of policy instruments:</u> One provision (Article 4).

#### 2. <u>Transitional time periods</u>:

Two provisions (Article 5.1 and 5.2).

#### 3. Provisions relating to least-developed country Members:

One (Article 5.2). It should be noted that the provision for least-developed countries is a modified version of the transition time-period provision available to all developing countries.

#### Article 5:3

On request, the Council for Trade in Goods may extend the transition period for the elimination of TRIMs notified under Article 5.1 for a developing country Member, including a least-developed country Member, which demonstrates particular difficulties in implementing the provisions of this Agreement. In considering such a request, the Council for Trade in Goods shall take into account the individual development, financial and trade needs of the Member in question.

Provision

As of 1 April 2001, 10 developing country Members have requested extensions of the transition period pursuant to Article 5.3. In the Council for Trade in Goods there has been discussion on how these requests might be handled. (G/C/M/41-45).

Comment

a decision not to impose a duty, while within

#### G. AGREEMENT ON IMPLEMENTATION OF ARTICLE VI (ANTI-DUMPING) OF THE GATT 1994

The agreement on the implementation of Article VI contains one provision for the special and differential treatment of developing country members (Article 15), which falls under the <u>category of provisions under which WTO Members should safeguard the interests of developing country Members</u>.

|  | <u>I</u>  |  |
|--|---|--|
| <b>Provisions under which WTO Members should</b>   | Provisions under which WTO Members should safeguard the interests of developing country |  |
| Members  |   |  |
| Article 15 (Developing Country Members)            | The Panel in European Communities – Anti-   |  |
| It is recognized that special regard must be given | Dumping Duties on Imports of Cotton-Type Bed  |  |
| by developed country Members to the special        | Linen from India was requested to rule whether  |  |
| situation of developing country Members when       | the European Communities had complied with  |  |
| considering the application of anti-dumping        | Article 15 of the AD Agreement. India asserted  |  |
| measures under this Agreement. Possibilities of    | that the European Communities had acted   |  |
| constructive remedies provided for by this         | inconsistently with Article 15 by not "exploring  |  |
| Agreement shall be explored before applying        | possibilities of a constructive remedy" prior to  |  |
| anti-dumping duties where they would affect the    | the imposition of anti-dumping duties. The Panel  |  |
| essential interests of developing country          | findings on the legal issues included the   |  |
| Members.   | following:  |  |
|  | • Imposition of a lesser duty or a price  |  |
|  | undertaking would constitute "constructive  |  |
|  | remedies" within the meaning of Article 15.   |  |
|  | The Panel did not come to any conclusions as  |  |
|  | to what other actions might in addition be  |  |
|  | considered to constitute "constructive  |  |
|  | remedies" under Article 15, <sup>2</sup> but did note that                              |  |

<sup>&</sup>lt;sup>2</sup> Paragraph 6.229

| Provision | Comment  |
|-----------|--|
|           | the authority of a Members, was not a remedy of any type, constructive or otherwise. <sup>3</sup>  |
|           | <ul> <li>The phrase "before applying anti-dumping duties" in Article 15 means before the application of definitive antidumping duties. Therefore, the Article 15 does not require developed country Members to explore the possibilities of price undertakings prior to the imposition of provisional measures. 4</li> <li>While Article 15 requires that possibilities of constructive remedies be "explored", this imposes no obligation to actually provide or accept any constructive remedy that may be identified and/or offered. It does, however, impose an obligation to actively consider, with an open mind, the possibility of such a remedy prior to the imposition of an antidumping measure that would affect the essential interests of a developing country.</li> <li>The Panel ruled that, in the particular factual circumstances of the dispute, the EC had failed to act consistently with its obligations under Article 15.</li> </ul> |
|           | One Member expressed the view that a developed   |
|           | Member had not complied with Article 15 when imposing anti-dumping duties. (See G/ADP/W/416)   |

H. AGREEMENT ON IMPLEMENTATION OF ARTICLE VII OF THE GATT 1994, AND THE DECISION ON TEXTS RELATING TO MINIMUM VALUES AND IMPORTS BY SOLE AGENTS, SOLE DISTRIBUTORS AND SOLE CONCESSIONAIRES.

#### Agreement on Implementation of Article VII of the GATT 1994

The eight provisions for special and differential treatment under the Agreement fall under the following broad headings:

1. <u>Provisions under which WTO Members should safeguard the interests of developing country Members:</u>

One provision (Annex III.5).

2. <u>Flexibility of commitments, of action, and use of policy instruments:</u> Two provisions (Annex III.3 and Annex III.4).

3. <u>Transitional Time Periods</u>:

Four provisions (Article 20.1; article 20.2; Annex III:1; and Annex III.2).

<sup>4</sup> Paragraph 6.231

<sup>&</sup>lt;sup>3</sup> Paragraph 6.228

#### 4. <u>Technical Assistance</u>:

One provision (Article 20.3)

At its meeting of 18-20 October 2000, the General Council refered to the Committee on Customs Valuation the following issues related to the implementation of the agreement: the idea of information exchange between customs administrations on export values in doubtful cases, the addition of the cost of services in Article 8:1(b)(iv) and aspects of the residual method of determining customs value under Article 7 of the Customs Valuation Agreement. The Chairman's report to the General Council on work in the Committee on these subjects is contained in document G/VAL/36.

| Provision   | Comment  |
|---|--|
| Provisions under which WTO Members should safeguard the interests of developing country Members   |  |
| Flexibility of commitments, of action, and use of   | policy instruments   |
| Annex III:3  Developing countries which consider that the reversal of the sequential order at the request of the importer provided for in Article 4 of the Agreement may give rise to real difficulties for them may wish to make a reservation to Article 4 in the following terms:  "The Government of reserves the right to provide that the relevant provision of Article 4 of the Agreement shall apply only when the customs authorities agree to the request to reverse the order of Articles 5 and 6."  If developing countries make such a reservation, the Members shall consent to it under Article 21 of the Agreement. | Fifty-three developing country Members, of which 13 least-developed country members, have invoked this paragraph. <sup>5</sup>   |
| Annex III:4 Developing countries may wish to make a reservation with respect to Article 5:2 of the Agreement in the following terms: "The Government of reserves the right to provide that Article 5:2 of the Agreement shall be applied in accordance with the provisions of the relevant note thereto whether or not the importer so requests."  If developing countries make such a reservation, the Members shall consent to it under Article 21 of the Agreement.  | Fifty-one developing country Members, of which eleven least developed country members, have invoked this paragraph. <sup>6</sup>                                       |
| Transitional time periods  Article 20.1  Developing country Members not party to the Agreement on Implementation of Article VII of the GATT (Tokyo Round), may delay application of the provisions of this Agreement for a period   | This provision was invoked by 56 developing countries (of which 12 least-developed countries). For 29 of these Members the provision expired on 1 January 2000 and for |

<sup>&</sup>lt;sup>5</sup> G/VAL/W/77

<sup>&</sup>lt;sup>6</sup> G/VAL/2/Rev.10/Corr.2

#### Provision Comment not exceeding five years from the date of entry another 23, the provision expired during the year into force of the WTO Agreement for such up to March 2001. Members. Developing country Members who choose to delay application of this Agreement The General Council decision of 15 December shall notify the Director-General of the WTO 2000 stated that: "Noting that the process of accordingly. examination and approval, in the Customs Valuation Committee, of individual requests from Members for extension of the five-year delay period in Article 20.1 is proceeding well, the General Council encourages the Committee to continue this work." (WT/L/384) Article 20:2 In addition to paragraph 1, developing country This provision was invoked by 48 developing Members not party to the Agreement on countries (of which 11 are least-developed Implementation of Article VII of the GATT countries). (Tokyo Round), may delay application of paragraph 2(b)(iii) of Article 1 and Article 6 for a period not exceeding three years following their application of all other provisions of this Agreement. Developing country Members that choose to delay application of the provisions specified in this paragraph shall notify the Director-General of the WTO accordingly. Annex III.1 A total of 20 Members have requested extensions under this provision, and one Member requested The five-year delay in the application of the provision of the Agreement by developing a second extension; 17 of which have been The duration of extensions granted country Members provided for in paragraph 1 of Article 20 may, in practice, be insufficient for range from 10 months to two years. certain developing country members. In such cases a developing country Member may request before the end of the period referred to in paragraph 1 of Article 20 an extension of such period, it being understood that the Members will give sympathetic consideration to such a request in cases where the developing country Member in question can show good cause. Annex III.2 Developing countries which currently value Seventeen developing country Members have goods on the basis of officially established reserved their rights to retain minimum values

under Annex III.2.<sup>7</sup> The Committee has adopted

7 Decisions containing the terms and conditions

under which 7 Members may continue to use

minimum values while applying the Agreement.<sup>8</sup>

distributors and sole concessionaires.)

minimum values may wish to make a reservation

to enable them to retain such values on a limited

and transitional basis under such terms and

(please also refer to <u>Decision on texts relating to</u> minimum values and imports by sole agents, sole

conditions as may be agreed to by the Members.

<sup>&</sup>lt;sup>7</sup> G/VAL/W/77

<sup>&</sup>lt;sup>8</sup> G/VAL/2/Rev12

Provision Comment

#### **Technical assistance**

Article 20:3

Developed country Members shall furnish, on mutually agreed terms, technical assistance to developing country Members that so request. On this basis developed country Members shall draw up programmes of technical assistance which may include, inter alia, training of personnel, assistance in preparing implementation measures, access to sources of information regarding customs valuation methodology, and advice on the application of the provisions of this Agreement.

In April 1998, the Committee on Customs Valuation published an inventory of all technical assistance activities undertaken up to that time by WTO and WCO, on the basis of information made available to the Secretariat. Activities relating to 52 Members were listed. (G/VAL/W/25). The Secretariat prepared a checklist of priority activities for technical assistance to assist Members in identifying gaps in activities aimed at the implementation of the Agreement (G/VAL/W/30). A number of developed country Members have, in the context of the Committee on Customs Valuation, provided information on technical cooperation activities provided to developing country members. One developing country Member also drew attention to the technical cooperation activities it had carried out. 10. In June 2000, the EC submitted a proposal on technical assistance designed to reinvigorate the Committee's work in this area. 11 After consultations by the chair, the Committee agreed to pursue this proposal and is actively engaged in defining the new approach. 12

#### I. AGREEMENT ON SUBSIDIES AND COUNTERVAILING MEASURES

The agreement on Subsidies and Countervailing Measures contains 16 special and differential treatment provisions some of which fall into more than one of the following categories:

1. <u>Provisions under which WTO Members should safeguard the interests of developing country Members:</u>

Two provisions (Articles 27.1; and 27.15).

2. <u>Flexibility of Commitments, of action, and use of policy instruments:</u>

Ten provisions (Articles 27.2 (a) and Annex VII; Article 27.4; 27.7; 27.8; 27.9; 27.10; 27.11; 27.12, and 27.13). It should be noted that article 27.2(a) is applicable to a subset of developing countries, listed in Annex VII, and not developing countries as a whole.

3. Transitional Time Periods:

Seven provisions (Article 27.2 (b); Article 27.3; Articles 27.4 and 27.14; Article 27.5; Article 27.6; and Article 27.11).

Articles 27.4, 27.6 and 27.11 are listed in both the flexibility and transition time periods category, as their hybrid nature combines characteristics of both these categories.

<sup>&</sup>lt;sup>9</sup> G/VAL/M/12; G/VAL/W/36; G/VAL/W/37 and Add.1; G/VAL/W/48; and G/VAL/W/49.

 $<sup>^{10}</sup>$  G/VAL/M/14

<sup>11</sup> G/VAL/W/71

<sup>12</sup> G/VAL/M/17

In addition to these provisions applicable to developing countries, or a sub-group thereof, are four provisions (Articles 29, 1-4) which apply to members in the process of transformation from a centrally planned into a market, free-enterprise economy.

# Provision Comment

# Flexibility of commitments, of action, and use of policy instruments

*Article 27, paragraph 2(a)* 

The prohibition of paragraph 1 (a) of the Article 3 shall not apply to developing country members referred to in Annex VII.

Annex VII (Developing Country Members, referred to in paragraph 2(a) of Article 27) The developing country Members not subject to the provisions of Article 3:1 (a) under the terms of Article 27:2 (a) are: (a) Least-developed countries designated as such by the United Nations which are Members of the WTO. (b) Each of the following developing countries which are Members of the WTO shall be subject to the provisions which are applicable to other developing country Members according to Article 27.2 (b) when GNP per capita has reached \$1,000 per annum; Bolivia, Cameroon, Congo, Côte d'Ivoire, Dominican Republic, Egypt, Ghana, Guatemala, Guyana, India, Indonesia, Kenya, Morocco, Nicaragua, Nigeria, Pakistan, Philippines, Senegal, Sri Lanka and Zimbabwe.

The General Council's decision of 15 December 2000 stated that. "Taking into account the unique situation of Honduras as the only original Member of the WTO with a GNP per capita of less than US\$ 1000 that was not included in Annex VII(b) to the Agreement on Subsidies and Countervailing Measures (SCM Agreement), Members call upon the Director-General to take appropriate steps, in accordance with WTO usual practice, to rectify the omission of Honduras from the list of Annex VII(b) countries."

#### **Transitional time periods**

Article 27.5

A developing country Member which has reached export competitiveness in any given product shall phase out its export subsidies for such product(s) over a period of two years. However, for a developing country Member which is referred to in Annex VII and which has reached export competitiveness in one or more products, export subsidies on such products shall be gradually phased out over a period of eight years.

The General Council's decision of 15 December 2000 stated that: "The Committee on Subsidies and Countervailing Measures (SCM Committee) shall examine as an important part of its work all issues relating to Articles 27.5 and 27.6 of the SCM Agreement, including the possibility to establish export competitiveness on the basis of a period longer than two years."

| Provision  | Comment  |  |
|--|--|--|
| Flexibility of commitments, of action, and use of policy instruments |  |  |
| Article 27.6   | The General Council's decision of                  |  |
| Export competitiveness in a product exists if a                      | 15 December 2000 stated that: "The Committee       |  |
| developing country Member's exports of that                          | on Subsidies and Countervailing Measures (SCM      |  |
| product have reached a share of at least                             | Committee) shall examine as an important part of   |  |
| 3.25 per cent in world trade of that product for                     | its work all issues relating to Articles 27.5      |  |
| two consecutive calendar years. Export                               | and 27.6 of the SCM Agreement, including the       |  |
| competitiveness shall exist either (a) on the basis                  | possibility to establish export competitiveness on |  |
| of notification by the developing country Member                     | the basis of a period longer than two years."      |  |
| having reached export competitiveness or (b) on                      |  |  |
| the basis of a computation undertaken by the                         |  |  |
| Secretariat at the request of any Member. For                        |  |  |
| the purposes of this paragraph, a products is                        |  |  |
| defined as a section heading of the Harmonised                       |  |  |
| System Nomenclature. The Committee is to                             |  |  |
| review the operation of this provision (i.e                          |  |  |
| Article 27:6) five years from its date of the entry                  |  |  |
| into force.)   |  |  |

#### J. GENERAL AGREEMENT ON TRADE IN SERVICES

The GATS contains 8 special and differential treatment provisions. Their classification can be broken down as follows:

- 1. <u>Provisions aimed at increasing trade opportunities:</u> Two provisions (Article IV:1 and Article IV:2).
- Provisions under which WTO Members should safeguard the interests of developing country Members:
   One provision (Article XIX:3).
- 3. <u>Flexibility of commitments, of action. and use of policy instruments:</u> Two provisions (Article V:3; and Article XIX:2).
- 4. <u>Technical Assistance</u>:

Two provisions (Article XXV:2 and Paragraph 6 of the Annex on Telecommunication).

5. <u>Provisions relating to least developed country Members:</u> One Provision (Article IV:3).

#### Provision Comment

### Provisions aimed at increasing trade opportunities

#### Article IV:1

The increasing participation of developing country Members in world trade shall be facilitated through negotiated specific commitments, by different Members pursuant to Parts III and IV of this Agreement, relating to: (a) the strengthening of their domestic services capacity and its efficiency and competitiveness, inter alia through access to technology on a commercial basis; (b) the improvement of their access to distribution channels and information networks; and (c) the liberalization of market access in sectors and modes of supply of export interest to them

The requirements of the provisions of this article are reflected in S/L/93 "Guidelines and Procedures for the Negotiations on Trade in Services"

# Provisions under which WTO Members should safeguard the interests of developing country Members

#### Article XIX:3

For each round, negotiating guidelines and procedures shall be established. For purposes of establishing such guidelines, the Council for Trade in Services shall carry out an assessment of trade in services in overall terms and on a sectoral basis with reference to the objectives of this Agreement, including those set out in paragraph 1 of Article IV. **Negotiating** guidelines shall establish modalities for the treatment of liberalization undertaken autonomously by Members since previous negotiations, as well as for the special treatment for least-developed country Members under the provisions of paragraph 3 of Article IV.

The requirements of the provisions of this article are reflected in S/L/93 "Guidelines and Procedures for the Negotiations on Trade in Services"

#### Flexibility of commitments, of action, and use of policy instruments

#### Article XIX:2

Negotiation of Specific Commitments The process of liberalization shall take place with due respect for national policy objectives and the level of development of individual Members, both overall and in individual sectors. There shall be appropriate flexibility for individual developing country Members for opening fewer sectors, liberalizing fewer types of transactions, progressively extending market access in line with their development situation and, when making access to their markets available to foreign service suppliers, attaching to such access conditions aimed at achieving the objectives referred to in Article IV. (See section on Article IV).

The requirements of the provisions of this article are reflected in S/L/93 "Guidelines and Procedures for the Negotiations on Trade in Services"

| Provision  | Comment  |
|--|--|
| Provisions relating to least-developed country M   | lembers  |
| Developing Countries Special priority shall be given to the least-   | The requirements of the provisions of this article are reflected in S/L/93 "Guidelines and Procedures for the Negotiations on Trade in |
| developed country Members in the implementation of Article IV:1 and 2. Particular account shall be taken of the serious difficulty of the least-developed countries in accepting negotiated specific commitments in view of their special economic situation and their development, trade and financial needs. |  |

### K. THE AGREEMENT ON TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS

The TRIPs agreement contains four provisions relating to special and differential treatment, which can be classified in the following four categories:

# 1. <u>Transitional Time Periods</u>:

Two provisions (Article 65.2 and 65.4).

# 2. <u>Technical assistance</u>:

One provision (Article 67).

# 3. <u>Provisions relating to least-developed country Members:</u>

Three provisions (part of the Preamble to the Agreement; Article 66.1; and 66.2).

| Provision   | Comment  |
|---|--|
| Transitional time periods                           |  |
| Article 65:2  |  |
| A developing country Member is entitled to delay    | Extensive use has been made of the transition        |
| for a further period of four years the date of      | periods provided for developing and                  |
| application, as defined in paragraph 1, of the      | least-developed countries in Articles 65 and 66 of   |
| provisions of this Agreement other than Articles 3, | the TRIPS Agreement. Generally, no difficulties      |
| 4 and 5.  | with respect to the use of these provisions have     |
|   | been raised in the TRIPS Council, though the         |
|   | extension of transition time-periods has been        |
|   | discussed elsewhere. The transition period for       |
|   | developing countries under Article 65.2 expired on   |
|   | 1 January 2000. At its meeting of                    |
|   | 20-21 October 1999, the Council agreed that, for     |
|   | the review of the national implementing legislation  |
|   | of Members for whom the general transitional         |
|   | period under Article 65 of the Agreement would       |
|   | expire on 1 January 2000, procedures would be        |
|   | used as had been employed in the reviews of          |
|   | legislation that had taken place so far (for concise |
|   | procedures, see JOB(99)/6928). Three meetings        |
|   | have been held so far (June and November 2000,       |

Provision Comment

and April 2001); and two more such meetings will take place in June and November 2001.

To the extent that a developing country Member is obliged by this Agreement to extend product patent protection to areas of technology not so protectable in its territory on the general date of application of this Agreement for that Member, as defined in paragraph 2, it may delay the application of the provisions on product patents of Section 5 of Part II to such areas of technology for an additional period of five years. (Article 65.4)

A number of issues have arisen in regard to compliance with the related "mailbox" exclusive marketing right provisions Article 70.8 and 70.9. This matter has figured regularly on the agenda of the TRIPS Council Moreover, it has been the subject of four invocations of the dispute settlement mechanism relating to three separate matters, one of which was settled with a mutually agreed solution (IP/D/2/Add.1), another of which was the subject of two Panel Reports (WT/DS50/R, WT/DS79/R) and an Appellate Body Report (WT/DS50/AB/R) and the last of which is at the consultation phase (IP/D/18).

#### **Technical assistance**

Article 67

In order to facilitate the implementation of this Agreement, developed country Members shall provide, on request and on mutually agreed terms conditions, technical and financial cooperation in favour of developing and least-developed country Members. Such cooperation shall include assistance in the preparation of laws and regulations on the protection and enforcement of intellectual property rights as well as on the prevention of their abuse, and shall include support regarding the establishment or reinforcement of domestic offices and agencies relevant to these matters, including the training of personnel.

Considerable attention has been given by the TRIPS Council to the provision of technical cooperation pursuant to Article 67 of the TRIPS Agreement. This issue has been a regular item on the agenda of the Council's meetings, with a view to monitoring compliance with the obligation contained in Article 67, sharing information on the technical cooperation possibilities available and providing an opportunity to identify any needs not adequately being addressed. Developed countries have provided, on an annual basis, for a special technical cooperation review meeting normally held in September of each year, reports on their technical and financial cooperation activities of relevance (most recently in documents IP/C/W/203 and addenda). No significant concerns regarding the adequate availability of technical cooperation have been formulated in the TRIPS Council. Intergovernmental organizations with observer status in the TRIPS Council have also provided written information on their technical cooperation activities relating to TRIPS matters (IP/C/W/202 and addenda 1-6), as has the WTO Secretariat (IP/C/W/201).

Developed country Members have notified contact points in their administrations for technical cooperation on TRIPS (IP/N/7, revisions and addenda). In addition, pursuant to a joint proposal by Australia; Bangladesh; the European Communities and their member States; Hong Kong, China; Norway and Zambia (document IP/C/W/241), a number of Members have notified contact points for technical

| Provision  | Comment   |
|--|---|
|  | assistance on TRIPS notifications between WTO Members. A list of Members offering technical assistance on TRIPS notifications under the scheme can be found in document IP/C/W/253 and its revisions and addenda; the contact points for this purpose can be found in document IP/N/7 and its revisions and addenda.  |
| Provisions relating to least-developed country Me  |   |
| Preamble Recognizing also the special needs of the least-developed country Members in respect of maximum flexibility in the domestic implementation of laws and regulations in order to enable them to create a sound and viable   |   |
| technological base  Article 66.1  In view of the special needs and requirements of least-developed country Members, their economic, financial and administrative constraints, and their need for flexibility to create a viable technological base, such Members shall not be required to apply the provisions of this Agreement, other than Articles 3, 4 and 5, for a period of 10 years from the date of application as defined under Article 65.1. The Council for TRIPS shall, upon duly motivated request by a least-developed country Member, accord extensions of this period. | (see previous section on transition time periods).  |
| Article 66:2 Developed country Members shall provide incentives to enterprises and institutions in their territories for the purpose of promoting and encouraging technology transfer to least-developed country Members in order to enable them to create a sound and viable technological base.  | In response to an invitation by the TRIPS Council to developed country Members to supply information on how Article 66.2 of the TRIPS Agreement is being implemented, information has been provided in writing by 20 developed country Members (the number includes 12 member States of the European Union).  |
|  | The Special Session of the General Council agreed on 18 October 2000 to invite the Council for TRIPS, with a view to facilitating full implementation of Article 66.2, to give consideration to drawing up an illustrative of incentives of the sort envisaged by Article 66.2, and to put on a regular and systematic basis its procedure for the notification and monitoring of measures in accordance with the provisions of Article 66.2. During subsequent informal consultations in the Council for TRIPS, all interested delegations were urged to submit either in writing or orally suggestions for an illustrative list of incentives and also for a regular notification and monitoring procedure. No such proposals |

| Provision | Comment   |
|-----------|---|
|           | were submitted before the Council's meeting in  |
|           | April 2001.                                     |
|           | At the invitation of the Special Session of the |
|           | General Council, the Council for TRIPS invited  |
|           | the Secretariats of the UNCTAD, WIPO, UNIDO,    |
|           | the World Bank, and the CBD to provide to it,   |
|           | written information on their activities on      |
|           | technology capacity-building. At the Council's  |
|           | meeting in April 2001, such information was     |
|           | available from the UNCTAD, WIPO, UNIDO, and     |
|           | the CBD. (documents IP/C/W/243 and addenda.)    |

# L. LEAST-DEVELOPED COUNTRIES

# **Decision on Measures in Favour of Least-Developed Countries**

| Provision   | Comment  |
|---|--|
| Paragraph 2 (ii) To the extent possible, MFN concessions on tariff and non-tariff measures agreed in the Uruguay Round on products of export interest to the least-developed countries may be implemented autonomously, in advance and without staging. | At the High Level Meeting (HLM) held on 27-28 October 1997, several Members announced new or additional preferential market access measures for LDCs that they had taken, or proposed to take, and/or made statements drawing attention to existing liberal market access for LDCs under GSP or GSTP regimes and other preferential arrangements. Based on the WTO Director-General's continuing efforts to improve market access opportunities for LDCs, 28 Members |
| Consideration shall be given to further improve GSP and other schemes for products of particular export interest to least-developed countries.  | announced measures they had taken or proposed to take in this regard at the General Council meeting on 3 and 8 May 2000:  Argentina; Australia; Bulgaria; Canada; Chile; Czech Republic; Egypt; European Union; Hong Kong, China; Hungary; Iceland; India; Indonesia; Japan; Korea, Rep. Of; Malaysia; Mauritius; Morocco; New Zealand; Norway; Poland; Singapore; Slovak Republic; Slovenia; Switzerland; Thailand; Turkey; United States.                          |
| Paragraph 2 (v) Least-developed countries shall be accorded substantially increased technical assistance in the development, strengthening and diversification of their production and export   | The Sub-Committee on Least-Developed Countries at its 23 <sup>rd</sup> Session on 12 February 2001, adopted the attached proposal for an Integrated Framework Pilot Scheme. This is a concrete step in the   |

| Provision | Comment   |
|-----------|---|
|           | implementation of the decision by the Heads of the six Core Agencies, <sup>13</sup> in the Joint Statement on 6 July 2000, <sup>14</sup> to improve the functioning of the Framework. |

<sup>13</sup> International Monetary Fund (IMF), International Trade Center (ITC), United Nations Conference on Trade and Development (UNCTAD), United Nations Development Programme (UNDP), International Bank for Reconstruction and Development (World Bank), and the World Trade Organization (WTO).

14 WT/LDC/SWG/IF/2, 12 July 2000.

# III. PROPOSALS RELATING TO SPECIAL AND DIFFERENTIAL TREATMENT SUBMITTED BY MEMBERS TO THE SPECIAL SESSION OF THE COMMITTEE ON AGRICULTURE.

- 1. This information draws on material contained in the proposals submitted to date in the context of the negotiations on agriculture. Elements of the different proposals have been classified using the typology of special and differential treatment employed elsewhere in this document. Most proposals contained elements of special and differential treatment in more than one of the six categories of the typology. By far the most frequent types of proposal relating to special and differential treatment were those coming under the category of provisions relating to flexibility of commitments, of action, and use of policy instruments. At the other end of the scale, only one provision related specifically to least-developed countries.
- 2. In addition to specific negotiating proposals recorded and classified below, many Members have made formal statements to the Special Session of the Committee on Agriculture. The contents of these statements are not reproduced below. They can be found in the document series G/AG/NG/W/--.

#### A. SPECIFIC PROPOSALS RELATING TO PROVISIONS AIMED AT INCREASING THE TRADE OPPORTUNITIES OF DEVELOPING COUNTRY MEMBERS

| Proposal                    | Contents  |
|-----------------------------|---|
| G/AG/NG/W/13                | - The OECD countries which continue to have very high tariff peaks and escalations should drastically reduce these tariff     |
| Cuba, Dominican             | levels, specially for products of interest to developing countries.   |
| Republic, Honduras,         |   |
| Pakistan, Haiti, Nicaragua, |   |
| Kenya, Uganda,              |   |
| Zimbabwe, Sri Lanka and     |   |
| El Salvador                 |   |
| G/AG/NG/W/15                | - All WTO members consider products of interest to developing countries, in particular least-developed countries, when making |
| United States               | tariff reductions; [and] give special consideration to least developed countries when they implement tariff reduction         |
|                             | commitments.  |

| G/AG/NG/W/36       | rev1        |
|--------------------|-------------|
| Barbados,          | Burundi,    |
| Cyprus, Czech      | Republic,   |
| Dominica, Est      | onia, the   |
| European Co        | mmunities,  |
| Fiji, Iceland, Isr | ael, Japan, |
| Korea,             | Latvia,     |
| Liechtenstein, M   | Iadagascar, |
| Malta,             | Mauritania, |
| Mauritius,         | Mongolia,   |
| Norway, Poland     | , Romania,  |
| Saint Lucia,       | Slovak      |
| Republic,          | Slovenia,   |
| Switzerland, and   | d Trinidad  |
| and Tobago         |             |
|                    |             |

- The problem and needs of developing countries should be duly taken into consideration in the negotiations and properly reflected in the outcome, inter alia; helping developing countries, especially LDCs, to participate in the world market and the WTO system, taking duly into account their exporting interests.
- Developing countries, in particular least-developed and net-food importing, should be granted improved market access, not only to markets of developed countries, but possibly also to markets of other developing countries, in particular of those that are somewhat more developed. Of course, tariff concessions granted to developing countries must be considered in conjunction with overall tariff concessions.
- Many of these developing countries rely on agricultural exports, often as part of preferential market access schemes. It is therefore of particular importance to ensure continued and improved market access for products originating in these countries, especially the least-developed and net food-importing of them.

| G/AG/NG/W/37 +Corr.1          | - Variable tariffs used by developed countries such as price band schemes, as well as seasonal tariffs, should be eliminated.     |
|-------------------------------|---|
| Cuba, Dominican               | Variable tariffs should only be allowed as a Special and Differential Treatment for developing countries.                         |
| Republic, El Salvador,        | - Appropriate arrangements to ensure that new suppliers from developing countries should have equal access to allotment           |
| Haiti, Honduras, Kenya,       | within the tariff rate quotas (TRQs).   |
| India, Nigeria, Pakistan, Sri | - Regular enhancement of the TRQs administered by developed countries so as to improve market access for developing               |
| Lanka, Uganda and             | countries.  |
| Zimbabwe                      |   |
| G/AG/NG/W/54                  | - Faster and deeper cuts in, or elimination of, tariffs on all agricultural products, including value added products, produced in |
| Cairns Group                  | and exported by developing countries;   |
|                               | - Tariff quota administration rules which provide improved opportunities for exports from developing countries;                   |
|                               | - Differential treatment and related modalities as appropriate in the area of market access.                                      |
| G/AG/NG/W/55                  | - The next round must result in the elimination of tariff disparities, with developed countries committing to greater tariff      |
| ASEAN                         | reductions. ()The next reform programme must therefore pursue the fullest liberalization of trade in tropical products, by        |
|                               | among others, applying further tariff reductions and eliminating tariff peaks and tariff escalation on these products.            |
|                               | - The GSP principles already encapsulated in the Enabling Clause should be elaborated and maintained in the framework of the      |
|                               | Agreement, with an explicit commitment by developed countries to conform to the principles of non-discrimination and non-         |
|                               | reciprocity.  |

| C/A C/N/C/N///00          |  |
|---------------------------|--|
| G/AG/NG/W/90              | - It is proposed that, in addition to multilateral liberalisation and in order to increase market access to products originating in  |
| EC                        | developing countries, that developed countries and the wealthiest developing countries provide significant trade preferences to      |
|                           | developing countries, and in particular the least-developed.   |
|                           | - It is proposed that an examination is undertaken on ways to ensure that these trade preferences are rendered stable and            |
|                           | predictable, in order to create the appropriate conditions for further investment in, and development of, the agricultural and agri- |
|                           | food sectors in developing countries.  |
| G/AG/NG/W/94              | - In the market access area, for example, instruments should be introduced that would enable the small emerging economies that       |
| Switzerland               | depend heavily on exports of a few specific goods to face the increasing competition resulting from tariff reductions agreed         |
|                           | multilaterally, and to protect themselves against the consequent erosion of preferential margins.                                    |
| G/AG/NG/W/95              | - The current preferential market access arrangements enjoyed by small Developing Countries should be protected under the            |
| Swaziland                 | current round of negotiations for agricultural trade reform. The period of protection should be sufficiently long to enable the      |
|                           | small DCs improve their welfare by significant measurable margins. The margins can be negotiated in the context of the               |
|                           | criteria listed above. One important area of the protection being recommended herein is guaranteed market access at guaranteed       |
|                           | prices for sensitive products from small DCs over an agreed period of time. The period should be long enough for meaningful          |
|                           | development and adjustment to occur.   |
|                           | - Tariff escalations should be reduced so as to enable the small DCs move from the exportation of raw materials to that of           |
|                           | processed products.  |
| G/AG/NG/W/96              | Special and Differential Treatment should seek to achieve security of access for SIDS and smaller producers, in particular those     |
| Mauritius                 | that are unable to take advantage of any increase in de minimis levels or greater flexibility in providing domestic support          |
|                           | measures.  |
| G/AG/NG/W/97+Corr.1       | - Small Island Development States (SIDS) should be provided with security of access for the one or two commodities which             |
| Commonwealth of           | they are able to produce on a commercial basis.  |
| Dominica, Jamaica,        | - Non-reciprocal preferential tariff rates provided to developing countries, in particular SIDS, in the agricultural sector should   |
| Mauritius, St. Kitts and  | be improved and bound under the framework of the AoA while the reform process is underway, with a view to ensuring that              |
| Nevis, Saint Lucia, St.   | existing access conditions are not undermined by the continuation of the reform process.   |
| Vincent and the           | - Market access opportunities under the AoA should ensure that certain percentage increases in minimum access tariff rate            |
| Grenadines & Trinidad and | quotas (TRQs) will be allocated with 0 per cent within-quota rate to SIDS. Specific duty-free TRQs outside minimum access            |
| Tobago                    | quotas should also be provided to SIDS.  |
| G/AG/NG/W/100             | - Members examine options aimed at rendering the market access concessions offered to developing countries through trade             |
| CARICOM                   | preferences, under the auspices of the Generalized System of Preferences (GSP), reciprocal or non-reciprocal arrangements,           |
|                           | stable, transparent and predictable. This will facilitate the adjustments which these economies will be required to undertake in     |
|                           | transitioning to more liberalized trade in agricultural markets. Binding preferential schemes and arrangements within the            |
|                           | framework of the AoA should be accorded considered attention.  |
|                           | - Stricter disciplines and improved transparency in the administration of tariff rate quotas (TRQs). In its manifestation, TRQ       |
|                           | reforms should not result in the diminution of market access opportunities, particularly for small developing economies.             |
|                           | - Developed countries should explore ways of ensuring that "non-substantial" suppliers from small developing economies are           |
|                           | provided with meaningful access to market opportunities within TRQs.   |
|                           |  |

| G/AG/NG/W/101            | - When considering further MFN tariff reductions, special attention should be paid to products of particular interest to       |
|--------------------------|--|
| Norway                   | developing countries.  |
|                          | - Market access for products originating in LDCs should be improved in terms of predictability and product coverage. Both      |
|                          | developed countries and the more developed of the developing countries should as a first step grant duty-free and quota-free   |
|                          | market access on a preferential basis for essentially all products from LDCs.  |
|                          | - Tariff quotas should be administered in ways that are transparent, equitable and do not place developing countries at a      |
|                          | disadvantage.  |
|                          | - Developing countries, in particular the least developed, should be given the opportunity to benefit from a preferential      |
|                          | allocation of existing tariff quotas, for instance through preferential in-quota tariff rates.                                 |
| G/AG/NG/W/143<br>Namibia | Countries that benefit from trade preferences be accorded a period of time to adjust and make the required structural changes. |

# B. Specific proposals relating to Provisions under which WTO Members should safeguard the interests of developing country Members

| Proposal                    | Contents  |
|-----------------------------|---|
| G/AG/NG/W/13                | - Prohibit developed countries from the use of the Special Safeguard Clause. This Clause instead should be opened up to all     |
| Cuba, Dominican Republic,   | developing countries. Developing countries should be allowed to invoke this based on low prices or excess volume.               |
| Honduras, Pakistan, Haiti,  | - Dumping in any form must be prohibited. All forms of export subsidies (direct or indirect) by developed countries must be     |
| Nicaragua, Kenya, Uganda,   | eliminated immediately.   |
| Zimbabwe, Sri Lanka and     | - Competition policy in agriculture must be addressed in [the review of the Agreement on Agriculture]. Developing countries     |
| El Salvador.                | must be given an easily accessible mechanism to protect themselves against the abuse of monopoly power and to seek              |
|                             | compensation.   |
| G/AG/NG/W/14                | - The Due Restraint Clause should be a special and differential treatment provision that will protect only developing countries |
| Cuba, Dominican             | in the "General Supports" box and the "Development" box. The purpose of the Due Restraint Clause should be to protect           |
| Republic, Honduras,         | developing countries in their efforts to increase food security (food accessibility and availability to all), ensure rural      |
| Pakistan, Haiti, Nicaragua, | employment and to increase domestic production capacity.  |
| Kenya, Uganda,              |   |
| Zimbabwe, Sri Lanka and     |   |
| El Salvador                 |   |

| G/AG/NG/W/15                                  | - Renew the commitment to food aid as expressed in the Uruguay Round's "Decision on Measures Concerning the Possible                |
|---|---|
| United States                                 | Negative Effects of the Reform Program on Least Developed and Net Food-Importing Developing Countries";                             |
| omica states                                  | - Continue the WTO disciplines on food aid contained in Article 10.4 of the Uruguay Round Agreement on Agriculture, which           |
|   | have proven to be appropriate;  |
|   | - The disciplines to be developed at the Organization of Economic Cooperation and Development for agricultural export credits       |
|   | and credit guarantees should not prevent WTO members from using such programs to improve the food security status of other          |
|   | members;  |
|   | - To establish export reporting systems in all members to increase information on the level and direction of international grain    |
|   | and oilseed transactions; and   |
|   | - To strengthen substantially WTO disciplines on export restrictions to increase the reliability of global food supply.             |
| G/AG/NG/W/36rev1                              | - The problem and needs of developing countries should be duly taken into consideration in the negotiations and properly            |
| Barbados, Burundi,                            | reflected in the outcome; inter alia adequate food aid for countries in need (especially NFIDCs), avoiding negative impacts on      |
| Cyprus, Czech Republic,                       | the enhancement of their domestic production.   |
| Dominica, Estonia, the                        |   |
| European Communities,                         |   |
| Fiji, Iceland, Israel, Japan,                 |   |
| Korea, Latvia,                                |   |
| Liechtenstein, Madagascar,                    |   |
| Malta, Mauritania,                            |   |
| Mauritius, Mongolia,                          |   |
| Norway, Poland, Romania,                      |   |
| Saint Lucia, Slovak                           |   |
| Republic, Slovenia, Switzerland, and Trinidad |   |
| and Tobago                                    |   |
| G/AG/NG/W/54                                  | - The preservation of the current special safeguard for developing countries to assist with domestic and international agricultural |
| Cairns Group                                  | reform efforts and in countering subsidised competition.  |
| G/AG/NG/W/90                                  | - The provision of food aid to the least developed countries and to net-food import developing countries only in fully grant form   |
| EC EC   | and in ways which do not damage local food production and marketing capacities of the recipient countries, is another               |
|   | important means to contribute to food security in the recipient countries. Providing food aid under credit terms increases the      |
|   | debt burden of these countries, and is therefore detrimental to their long-term interests.  |
| G/AG/NG/W/91                                  | - The idea of a possible framework for international food stockholding should be examined, in order to complement existing          |
| Japan   | bilateral and multilateral food aid schemes and to enable loan of food in the case of temporary shortage.                           |
| G/AG/NG/W/93                                  | - The agriculture negotiations should: preserve Article 12.2 of the Agreement on Agriculture and provide additional special and     |
| Cairns  | differential treatment provisions to address the legitimate needs of developing countries, including least developed and net        |
|   | food-importing developing countries.  |

| G/AG/NG/W/95              | - The reduction of support measures in more developed countries should be approached with flexibility, imagination and             |
|---------------------------|--|
| Swaziland                 | innovation so that the progress of small Developing Countries is not stunted.  |
|                           | - In general, no small Developing Countries should be disadvantaged in the wake of giving Special and Differential Treatment       |
|                           | to other Developing Countries. In particular, the existing preferential arrangements are one of the main avenues for meaningful    |
|                           | human development in the Developing Countries involved.  |
| G/AG/NG/W/97+Corr.1       | - Where a free-trade area or a customs union involving SIDS and developed countries is established, the "substantially all the     |
| Dominica, Jamaica,        | trade" provision given in the GATT Article XXIV should not apply.  |
| Mauritius, St. Kitts and  | - Given the very small size and fragility of the productive sectors of SIDS, which are invariably NFIDCs, they should not be       |
| Nevis, Saint Lucia, St.   | obliged to provide reciprocal access for their agricultural exports under preferential trading arrangements with developed         |
| Vincent and the           | countries.   |
| Grenadines & Trinidad and | - Small farmers in LDCs, NFIDCs and other developing countries, including SIDS, need to be protected against import surges         |
| Tobago                    | particularly when the latter affect the production of key staples of the domestic diet and negatively impact on rural development  |
|                           | and poverty alleviation. To meet this need, use of the special safeguard provision should be allowed.                              |
|                           | - With regard to actions under the Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform         |
|                           | Programme on Least-Developed and Net Food-Importing Developing Countries, separate mechanisms should be formulated for             |
|                           | operationalizing the provision of financial and technical assistance, including the transfer of relevant agricultural technology   |
|                           | (for example, the accessing of new seed varieties), to LDCs and NFIDCs to improve agricultural productivity in those countries,    |
|                           | as well as for short-term mitigation programmes to address negative effects of the liberalization process.                         |
|                           | - Whenever agricultural production is severely damaged through natural disasters, which occur frequently in SIDS, the latter's     |
| C/A C/N/C/N///00          | obligations under the AoA should be waived until recovery is achieved.   |
| G/AG/NG/W/98              | - Increase of food aid, financial and technical assistance.  |
| Korea                     |  |
| G/AG/NG/W/101             | - The Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-                  |
| Norway                    | Developed and Net Food-Importing Developing Countries should be reviewed in order to ensure its effective implementation.          |
| G/AG/NG/W/107             | - A further effort is needed on the part of developed country Members to enhance their capital and technical investment in the     |
| Egypt                     | agriculture sectors of developing country Members, with a view to support rural development and incomes.                           |
|                           | - An urgent review of the Decision on NFIDCs (in accordance with paragraph 6) to strengthen the language and make it more          |
|                           | mandatory An increased level of technical and financial assistance should be afforded to NFIDC's and LDC's. Such assistance should |
|                           | have the aim of improving the capability of the beneficiaries to produce their food requirements locally, through the              |
|                           | amelioration of the technologies used and basic agricultural infrastructure available. Special mention should be made of the       |
|                           | need for improving the export marketing capabilities of NFIDC's and LDC's, to allow them to move from being net food-              |
|                           | importers into the category of self-sufficiency (and at a later stage, to potentially become net agricultural-exporters).          |
|                           | - The creation of a Fund for the Support of NFIDC and LDC's, whereby the beneficiaries would obtain a rebate on their food         |
|                           | import bills after they have purchased their requirements on the open market at unsubsidized prices. The Fund would be             |
|                           | financed from a number of sources, prominent amongst which would be international financial organizations, specialized UN          |
|                           | agencies, developed country donors, and major exporters.   |
|                           | 1  |

| G/AG/NG/W/136             | - The S&D provisions should target at filling the gaps between developed countries and developing countries in terms of supply       |
|---------------------------|--|
| Kenya                     | capacity, economic development, and financial resources, so as to enable developing countries to face multilateral trade rules       |
|                           | and disciplines without further burdening the domestic population in terms of, among others, food insecurity and perpetuation        |
|                           | of poverty.  |
| G/AG/NG/W/139             | In recognition of the "Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-               |
| MERCOSUR (Argentina,      | Developed and Net Food-Importing Developing Countries", adopted in Marrakech, the disciplines to be adopted must include             |
| Brazil, Paraguay and      | appropriate provisions for differential treatment in favour of least-developed and net food-importing developing countries.          |
| Uruguay), Bolivia, Chile, | These provisions should include longer repayment periods and should be consistent with the exemptions already provided in the        |
| Costa Rica, Guatemala,    | Agreement on Agriculture for developing countries and with the modifications resulting from the negotiations to the general          |
| India and Malaysia        | rules and disciplines applicable to export subsidies.  |
| G/AG/NG/W/142             | - In the context of current negotiations, the following issues should be fully addressed to ensure the urgent resolution of both the |
| AFRICAN GROUP             | short- and long-term food security problems of LDCs and NFIDCs:  |
|                           | - Create an inter-agency revolving fund to assist LDCs and NFIDCs with their food import bills in accordance with future price       |
|                           | increases above a certain threshold, on condition that imports are from open and competitive markets;                                |
|                           | - Regularly monitor and evaluate the impact of the reform programme on LDCs and NFIDCs, and elaborate appropriate                    |
|                           | instruments to address concerns of those countries within a specified timeframe. Food Aid should be in fully grant form;             |
|                           | - Establish a mechanism to ensure that food aid would not disrupt domestic production in recipient countries;                        |
|                           | - Provide further technical and financial cooperation especially in regard to: enhancing agricultural productivity; infrastructure   |
|                           | building; product diversification; transfer of new technology; market information dissemination; and export development;             |
|                           | - Ensure that the implementation of the Marrakesh Decision is a binding commitment under Article 16 of the AoA.                      |

# C. PROVISIONS RELATING TO FLEXIBILITY OF COMMITMENTS, OF ACTION, AND USE OF POLICY INSTRUMENTS

| Proposal                    | Contents   |
|-----------------------------|--|
| G/AG/NG/W/13                | - All developing countries should be able to use a positive list approach to declare which agricultural products or sectors they |
| Cuba, Dominican             | would like disciplined under AoA provisions.   |
| Republic, Honduras,         | - Allow developing countries to re-evaluate and adjust their tariff levels. Where it has been established that cheap imports are |
| Pakistan, Haiti, Nicaragua, | destroying or threatening domestic producers, developing countries should be allowed to raise their tariff bindings on key       |
| Kenya, Uganda,              | products to protect food security.   |
| Zimbabwe, Sri Lanka and     | - Flexibility in levels of domestic supports. Developing countries should be allowed an additional 10 per cent on their de minis |
| El Salvador                 | support level, i.e. bringing the level from 10 to 20 per cent.   |

| G / L G D Y G TYY / L L       |   |
|-------------------------------|---|
| G/AG/NG/W/14                  | - A common level of supports should be allowed eg. 10 per cent of production for all countries. This level of subsidies should    |
| Cuba, Dominican               | be non-actionable. Subsidies of 5 per cent above this 10 per cent level will be 'actionable' for developed countries. (Developing |
| Republic, Honduras,           | countries should be protected under the Due Restraint Clause). Subsidies beyond this level should be treated as prohibited.       |
| Pakistan, Haiti, Nicaragua,   | Developing countries, however, will be allowed additional flexibility under a "Development" box.                                  |
| Kenya, Uganda,                | - The Development box should provide developing countries with flexibility of import controls, tariffs barriers and domestic      |
| Zimbabwe, Sri Lanka and       | supports for items which are already being produced in sufficient quantities or which countries would like produced in            |
| El Salvador                   | sufficient quantities locally, until such time they are exporters of these products.  |
| G/AG/NG/W/15                  | - Create additional criteria for exempt support measures deemed essential to the development and food security objectives of      |
| United States                 | developing countries to facilitate the development of targeted programs to increase investment and improve infrastructure,        |
|                               | enhance domestic marketing systems, help farmers manage risk, provide access to new technologies promoting sustainability         |
|                               | and resource conservation and increase productivity of subsistence producers.   |
| G/AG/NG/W/16                  | - The unique development challenges facing developing and least developed countries [are recognised], and supports the            |
| United States                 | exemption of additional criteria-based support measures deemed essential to the development objectives of these countries.        |
| G/AG/NG/W/35                  | - S&D provisions relating to domestic support should build on the existing WTO provisions and include:                            |
| Cairns Group                  | - Enhanced green box provisions for developing countries which would address their specific concerns regarding food security,     |
|                               | rural development and poverty eradication;  |
|                               | - Differentiated AMS formula and commitments for developing countries, including preserving de minimis provisions and             |
|                               | exceptions for investment and input subsidies, and domestic support to encourage diversification from growing illicit narcotic    |
|                               | crops;  |
| G/AG/NG/W/36/Rev.1            | - Developing countries may need continued protection of their own agricultural markets, in order to safeguard food security and   |
| Barbados, Burundi,            | other non-trade concerns and foster economic development. One may therefore consider whether tariff reductions undertaken         |
| Cyprus, Czech Republic,       | by developing countries should be undertaken in a different manner compared to other Members. One may also consider to            |
| Dominica, Estonia, the        | what extent the least-developed countries should continue to be exempt from tariff reductions. Furthermore, in cases in which     |
| European Communities,         | present rules and commitments do not provide sufficient leeway and protection against sudden import surges one may consider       |
| Fiji, Iceland, Israel, Japan, | extending the right to have recourse to the special safeguard provisions of the Agreement on Agriculture to net-food importing    |
| Korea, Latvia,                | developing countries and least-developed countries not having this possibility at present.  |
| Liechtenstein, Madagascar,    | - As regards domestic support, an increase of the De Minimis levels and the inclusion into the Green Box of additional            |
| Malta, Mauritania,            | measures adapted to the specific situation in developing countries could be considered.   |
| Mauritius, Mongolia,          |   |
| Norway, Poland, Romania,      |   |
| Saint Lucia, Slovak           |   |
| Republic, Slovenia,           |   |
| Switzerland, and Trinidad     |   |
| and Tobago                    |   |

| G/AG/NG/W/55                                     | - The Agreement must therefore afford developing countries to adopt reforms in a differential and more gradual basis. As such,   |
|--|--|
| ASEAN  | flexibility in terms of longer timeframe for the implementation of commitments, which must continue to be given to developing  |
|  | countries, will not suffice. The nature, depth and substance of commitments must also be different.  |
|  | - As a first general obligation, developed countries must immediately eliminate all forms of export subsidies and commit to  |
|  | their unconditional prohibition. Developing countries, on the other hand, must be able to continue using existing flexibility  |
|  | with respect to export subsidies (i.e. Article 9.4).   |
|  | - Furthermore, disciplines in export credits, export credit guarantee or insurance programmes should be developed and  |
|  | concluded before the end of the implementation period. The development of these disciplines should provide adequate  |
|  | flexibility for developing countries.  |
|  | - Direct or indirect measures that are an integral part of the development programmes of developing countries, including   |
|  | investment and input subsidies, as identified in Article 6.2 of the present Agreement, must remain exempt from reduction   |
|  | commitments during the next phase of the reform programme.   |
|  | - Measures intended to promote agricultural diversification must be exempt from reduction commitments.   |
|  | - The existing de minimis concept and threshold must be continued to be applied but only to developing countries.  |
|  | - Developing countries must be given an effective and meaningful degree of autonomy on policy instruments to address food  |
|  | security concerns.   |
|  | - In addition, the Agreement must be able to make an appropriate differentiation between domestic measures which result in   |
|  | overproduction and the ability to carve out a niche in the international market, and those measures designed to face the   |
|  | challenges of food security of developing countries.   |
|  | - Developing countries must have differential commitments and modalities as appropriate, in the area of market access. In  |
| C/A C D I C D I C C                              | addition, developing countries must be allowed the flexibility to continue the application of special safeguards.  |
| G/AG/NG/W/56                                     | - [Transition economies] propose to include a specific provision into the Agreement on Agriculture which would address the   |
| Albania, Bulgaria, Croatia,                      | particular needs of Members that are in the difficult process of transformation to a fully-fledged market system or consolidating  |
| the Czech Republic,                              | the results of such a deep-going economic process in the agricultural sector. This provision would exempt investment subsidies   |
| Georgia, Hungary, the                            | and input subsidies generally available to agriculture, interest subsidies to reduce the costs of financing as well as grants to cover debt repayment from domestic support reduction commitments that would otherwise be applicable to such measures. It  |
| Kyrgyz Republic, Latvia,<br>Lithuania, Mongolia, | would also increase the <i>de minimis</i> threshold applicable to the transition economies. The provision could be invoked by  |
| Slovak Republic and                              | individual countries only until the problems in the agricultural sector described above do persist.  |
| Slovenia Republic and                            | individual countries only until the problems in the agricultural sector described above do persist.  |
| G/AG/NG/W/57                                     | - It is a strong expectation of these countries that in the course of the negotiations, the high level of trade liberalization and   |
| Bulgaria, Czech Republic,                        | market opening and extreme vulnerability resulting from the difficult and painful process of transformation to a fully-fledged   |
| Estonia, Georgia, Hungary,                       | market opening and extreme varietability resulting from the difficult and painful process of transformation to a fully-fledged market economy will be fully recognized. These countries therefore propose that a specific flexibility provision be included in   |
| Kyrgyz Republic, Latvia,                         | any negotiating guidelines and modalities to be agreed for the purpose of future tariff reductions and other market access   |
| ci i b i i ci :                                  | any regulations and modulates to describe the second and the secon |

well as would allow for selective reduction commitments.

commitments. Such a provision would, inter alia, exempt low tariffs from further reduction commitments for these countries, as

Slovak Republic, Slovenia,

Croatia and Lithuania

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|---------------------------|--|
| G/AG/NG/W/88              | - Non-trade concerns should be pursued consistently with the objective of these negotiations, not at the expense of other trading    |
| Argentina                 | partners. Argentina, just as every other Member, is committed to achieve substantial and progressive reductions in support and       |
|                           | protection in the agricultural sector. This is the frame in which we all should explore the consistent ways and means to take into   |
|                           | account legitimate "non- trade concerns" while being mindful of consequences for developing countries.                               |
| G/AG/NG/W/90              | - Domestic support measures that promote the sustainable vitality of rural areas and the food security concerns of developing        |
| EC                        | countries as a means of poverty alleviation are of great importance. The EC propose that these measures where appropriate be         |
|                           | exempted from any reduction commitments.   |
|                           | - [It is proposed] that other ways are examined in order to provide the necessary flexibility to developing countries to address     |
|                           | these concerns, notably through a revision of the de minimis clause for developing countries.  |
| G/AG/NG/W/91              | - A wide range of flexibility should be given to developing countries with regard to the rules and disciplines on border measures    |
| Japan                     | and their application, in order to ensure their food security.   |
|                           | - Flexibility should also be given to developing countries concerning the rules and disciplines on domestic support and their        |
|                           | application, in order not to affect the support necessary to increase food production for domestic consumption.                      |
|                           | - When strengthening the rules and disciplines on exports and state trading, measures to exempt or ease obligations should be        |
|                           | taken so as not to cause an excessive burden on developing countries.  |
| G/AG/NG/W/95              | - Provisions must be allowed for small Developing Countries to protect their local agricultural production from imports that         |
| Swaziland                 | threaten the existence of the local industry.  |
| G/AG/NG/W/96              | - Special and Differential Treatment could include the elaboration of instruments that would: exempt from reduction                  |
| Mauritius                 | commitments any measures aimed at poverty alleviation; make available appropriate technology with a view to enhancing                |
|                           | competitivity.   |
| G/AG/NG/W/97+Corr.1       | - Small Island Development States which undertook unilateral deregulation and liberalization in the agricultural sector should be    |
| Commonwealth of           | exempted from further reduction commitments on support and protection. Whilst the financial constraints of SIDS make it              |
| Dominica, Jamaica,        | difficult for them to provide support measures currently, this possibility should not be excluded as revenue through agriculture     |
| Mauritius, St. Kitts and  | increases. Those SIDS which entered into the commitments under the AoA during Structural Adjustment Programmes should                |
| Nevis, Saint Lucia, St.   | be allowed to receive a higher de minimis level on domestic support and to renegotiate the AoA commitments on market access,         |
| Vincent and the           | such that the commitments reflect the long-term development policy objective of those countries rather than their short-term         |
| Grenadines & Trinidad and | financial circumstances.   |
| Tobago                    |  |
| G/AG/NG/W/98              | - Special consideration for key staple crops, and greater flexibility in reducing border protection measures, such as alleviation of |
| Korea                     | tariff reduction commitments, especially on products related to non-trade concerns.  |
|                           | - Alleviation of reduction commitment, additional flexibility to Green Box (especially for measures to improve food security         |
|                           | and rural employment even if they have possible impact on trade), and specific criteria that can reflect the scarcity of financial   |
|                           | resources in developing countries.   |
|                           | - Expansion of export subsidies exempt from reduction commitments for developing countries, alleviation of export subsidy            |
|                           | reduction commitments, establishment of rules and disciplines on export-related measures for developing countries so that they       |
|                           | may be able to compete in the global market.   |

| G/AG/NG/W/100                         | - Small developing economies must have differential commitments and modalities as appropriate, including the possibility of   |
|---------------------------------------|---|
| CARICOM                               | exemption from further tariff reductions, particularly in circumstances where substantial liberalization has already been   |
| C' II II COM                          | undertaken.   |
| G/AG/NG/W/101                         | -The right to have recourse to the SSG provisions should be extended to all developing countries that do not have this right  |
| Norway                                | today.  |
| · · · · · · · · · · · · · · · · · · · | - De minimis levels should be increased for developing countries.   |
|                                       | - S&D domestic support provisions adapted to the specific situation of developing countries should be expanded as a   |
|                                       | supplement to the existing Green Box measures.  |
| G/AG/NW/W/102                         | - All existing provisions of Annex 2 of AoA except paras. 5, 6 & 7 should be continued, being an integral part of the food  |
| India                                 | security measures required to be taken by developing countries;   |
|                                       | - All measures taken by the developing countries for poverty alleviation, rural development, rural employment and   |
|                                       | diversification of agriculture should be exempted from any form of reduction commitments;   |
|                                       | - Flexibility to be given to developing countries in the manner of providing subsidies to key farm inputs, which nevertheless   |
|                                       | should continue to be accounted for in the Non-product specific support AMS calculations;   |
|                                       | - In addition to the provisions contained in Article 6.2 of Agreement on Agriculture, relating to agricultural investment and   |
|                                       | input subsidies, Product specific support given to low income and resource poor farmers should also be excluded for AMS   |
|                                       | calculations;   |
|                                       | - Negative Product specific support to be permitted to be adjusted against positive Non-product specific support;   |
|                                       | - Appropriate level of tariff bindings to be allowed to be maintained by developing countries as a special and differential   |
|                                       | measure, keeping in mind their developmental needs and high distortions prevalent in the international markets so as to protect   |
|                                       | the livelihood of their very large percentage of population dependent on agriculture. The appropriate levels of tariff bindings   |
|                                       | will have to necessarily relate to the trade distortions in the areas of market access, domestic support and export competition being practised by the developed countries; |
|                                       | - Low tariff bindings in developing countries, as could not be rationalised in the earlier negotiations, should be allowed to be  |
|                                       | raised to the ceiling bindings for similar category of products, committed during the Uruguay Round;  |
|                                       | - A separate safeguard mechanism on the lines of the Special Safeguard provisions (Article 5 of AoA) including a provision for  |
|                                       | imposition of Quantitative Restrictions under specified circumstances, should be made available to all developing countries   |
|                                       | irrespective of tariffication in the event of a surge in the imports or decline in prices and to ensure food and livelihood security  |
|                                       | of their people;  |
|                                       | - Developing country members should be exempt from any obligation to provide any minimum market access;   |
|                                       | - The product coverage of the Agreement on Agriculture requires rationalisation by including primary agricultural commodities   |
|                                       | such as rubber, primary forest produce, jute, coir, abaca and sisal etc. which are much more agricultural than hides and skins  |
|                                       | which are already covered under AoA.  |
| G/AG/NW/W/103                         | - It is essential to provide an opportunity for the least developed and many developing countries to apply a flexible approach  |
| Poland                                | while undertaking new commitments and to benefit from preferential treatment in the market access arrangements in other   |
|                                       | countries at the same time.   |
| G/AG/NW/W/105                         | [It is proposed] for the developing countries, a more marked asymmetry between the developed and the developing countries   |
| Morocco                               | than during the first stage of dismantling; greater flexibility in the preconditions for introducing a safeguard clause.  |

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| G/AG/NW/W/106          | - The "de minimis" level for developing countries should be increased to a mutually agreed level.                                   |
| Turkey                 | - Developing countries should be granted the flexibility to apply "de minimis" on an aggregate basis, instead of product basis,     |
|                        | taking into consideration the changing production conditions.   |
|                        | - Special and Differential Treatment granted for developing countries under Article 6.2 of the Agreement on Agriculture, which      |
|                        | stipulates the use of investment and input subsidies with the aim of encouraging agricultural and rural development, should be      |
|                        | continued to be exempted from reduction commitments.  |
| G/AG/NW/W/107          | - Developing countries should be afforded greater flexibility to re-evaluate and adjust their tariff schedules, with a view to      |
| Egypt                  | overcome the negative effects of cheap subsidized agricultural imports.   |
|                        | - All tariff reductions made by developing country Members should be made from the basis of their bound, rather than applied,       |
|                        | rates.  |
|                        | - Greater flexibility should be granted to developing country Members to increase their levels of domestic support within the       |
|                        | framework of Green Box (Annex II) measures.   |
| G/AG/NG/W/130          | - The negotiations should recognize the need for flexibility for developing countries in the following areas:                       |
| Nigeria                | (i) flexibility in reducing tariffs, particularly on sensitive products;  |
|                        | (ii) flexibility on domestic support measures to be able to address the concerns of the rural population in this sector for the     |
|                        | sustenance of their livelihood and employment; and  |
|                        |   |
|                        | (iii) flexibility on attainment of certain degree of food self sufficiency to ensure that all/any measures aimed at enhancing       |
|                        | domestic production is exempt from reduction commitments.   |
| G/AG/NW/W/135          | Improvement of the Amber Box: possibility for the least-developed countries to go beyond their base level AMS.                      |
| Democratic Republic of |   |
| Congo                  |   |
| G/AG/NW/W/136          | - A Development Box should be designed with a view to consolidating, strengthening and operationalizing the special and             |
| Kenya                  | differential treatment for developing countries. This should allow for policy flexibility in applying urgent safeguard measures     |
|                        | and domestic support measures that are closely linked to policy measures to meet developmental concerns of developing               |
|                        | countries. Such concerns should include; high dependency on food imports, the need to increase agricultural productivity, food      |
|                        | security, and the need to protect small farmers and poverty alleviation.  |
|                        | - WTO members should identify those border measures and domestic support measures that are pertinent to those                       |
|                        | developmental concerns, with a view to starting concrete negotiations on what type of flexibility should be provided to those       |
|                        | measures in developing countries during the continuation of the reform process.   |
| G/AG/NW/W/137          | - Give developing countries with low agricultural production flexibility in all instruments relating to agricultural production, to |
| Senegal                | enable them to undertake reforms necessary for maintaining their level of food production in the short term and significantly       |
| Schegui                | improving agricultural productivity in the long term.   |
|                        | improving agricultural productivity in the long term.   |

| G/AG/NW/W/139 MERCOSUR (Argentina, Brazil, Paraguay and Uruguay), Bolivia, Chile, Costa Rica, Guatemala, India and Malaysia | - Appropriate minimum interest rates, <i>inter alia</i> , shall be established to address the interests of exporting developing countries.  |
|---|---|
| G/AG/NW/W/140<br>Jordan   | <ul> <li>All measures taken by developing countries for poverty alleviation, rural development, rural employment, desert reclamation and diversification of agriculture should be exempted from any reduction commitments.</li> <li>Direct or indirect measures that are an integral part of the development programs of developing countries, including investment and input subsidies, as identified in Article 6.2 of the present Agreement, must remain exempt from reduction commitments during the next phase of the reform program.</li> <li>The existing <i>de minimis</i> concept and threshold must be continued to be applied only to developing countries.</li> </ul>   |
| G/AG/NW/W/142<br>African Group  | - The Agreement on Agriculture should be reviewed so as to: (a) increase flexibility in the use by developing countries of the <i>de minimis</i> measures; (b) allow developing countries with zero AMS to provide such support if required under their development programmes; and (c) provide that input and investment subsidies available to low-income farmers and to resource-poor farmers will be non-actionable; - The expansion of the scope of S&D treatment in the area of domestic support should allow developing countries to employ policy measures which target the viability of small-scale and subsistence farmers, rural poverty alleviation, food security, as well as product diversification. Such elements should take into account the need to strengthen vulnerable producers and to improve their export competitiveness. |
| G/AG/NW/W/143   | - Countries with low bound tariff rates be exempted from making further reductions until such a time that other countries catch   |
| Namibia   | up.   |

# D. SPECIFIC PROPOSALS RELATING TO TRANSITIONAL TIME PERIODS

| Proposal               | Contents   |
|------------------------|--|
| G/AG/NG/W/11           | - Commitments on export subsidies could include concrete special and differential treatment provisions: ()These could          |
| Cairns Group           | include: A longer implementation timeframe for developing countries; and-extension of existing special and differential        |
|                        | treatment for developing countries under Article 9.4 of the Agreement on Agriculture until the elimination and prohibition of  |
|                        | export subsidies are completed.  |
| G/AG/NW/W/105          | - [It is proposed] for the developing countries, () a transitional period (the duration of which remains to be defined) during |
| Morocco                | which the dismantling of tariffs can be suspended;   |
| G/AG/NW/W/135          | - Extension of the implementation period [for reduction commitments in domestic support and export subsidies]                  |
| Democratic Republic of |  |
| Congo                  |  |

| G/AG/NW/W/137 | - Envisage replacing criteria in the form of deadlines, which are often fixed arbitrarily, with objectively verifiable economic –  |
|---------------|--|
| Senegal       | indicators, based in particular on the level of development or growth of the sector;   |
|               | - Accordingly, make provision for revising the deadlines granted to developing countries, in particular as regards the granting of |
|               | marketing subsidies provided for under Articles 9.4 and 9.1(d) and (e) of the Agreement on Agriculture.                            |

# E. SPECIFIC PROPOSALS RELATING TO TECHNICAL ASSISTANCE

| G/AG/NG/W/15                  | - It is proposed that that WTO members intensify ongoing technical assistance through governmental and non-governmental              |
|-------------------------------|--|
| United States                 | entities in parallel with these negotiations.  |
| G/AG/NG/W/35                  | - Enhanced technical assistance and the promotion of international cooperation to assist agricultural and rural development, and     |
| Cairns Group                  | food security programs in developing countries.  |
| G/AG/NG/W/36rev1.             | - The problem and needs of developing countries should be duly taken into consideration in the negotiations and properly             |
| Barbados, Burundi,            | reflected in the outcome; inter alia sufficient assistance and capacity building to enhance domestic food production in              |
| Cyprus, Czech Republic,       | developing countries.  |
| Dominica, Estonia, the        | - Increased technical assistance to developing countries is necessary as the policy reform process proceeds. The Ministerial         |
| European Communities,         | Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-               |
| Fiji, Iceland, Israel, Japan, | Importing Developing Countries should be effectively implemented. Furthermore, one should work towards reaching                      |
| Korea, Latvia,                | agreement on commitments for the provision of financial and technical assistance relating to the Decision as well as to trade-       |
| Liechtenstein, Madagascar,    | related capacity-building and trade-facilitating measures.   |
| Malta, Mauritania,            |  |
| Mauritius, Mongolia,          |  |
| Norway, Poland, Romania,      |  |
| Saint Lucia, Slovak           |  |
| Republic, Slovenia,           |  |
| Switzerland, and Trinidad     |  |
| and Tobago on Non-Trade       |  |
| Concerns                      |  |
| G/AG/NG/W/97+Corr.1           | - Negotiations should address the need for establishing a framework to ensure the provision of technical assistance to               |
| Commonwealth of               | developing countries, in particular SIDS, for meeting the costs of compliance with SPS measures and technical standards              |
| Dominica, Jamaica,            | (e.g. costs to obtain certification, costs incurred from delays in authorization) in the international market. Developing countries, |
| Mauritius, St. Kitts and      | including SIDS, should also be assisted with a view to enabling their participation in the activities of international standard-     |
| Nevis, Saint Lucia, St.       | setting bodies.  |
| Vincent and the               |  |
| Grenadines & Trinidad and     |  |
| Tobago                        |  |

| G/AG/NG/W/100<br>CARICOM | - A technical assistance fund should be established to support initiatives by developing countries which are aimed at complying with standards, market norms and other import regulations, required for enterability in particular agricultural product markets of |
|--------------------------|--|
|                          | developed countries.   |
|                          | - Developed countries should commit to provide timely and tangible technical assistance to developing countries in areas   |
|                          | pertinent to the implementation of the WTO Agreements, including, inter alia, commitments regarding anti-dumping and   |
|                          | countervailing duties. Such assistance should be coordinated with the multilateral development institutions and should be  |
|                          | subject to routine monitoring by developed and developing countries. Development assistance to developing countries should   |
|                          | be exempt from reduction commitments.  |
| G/AG/NG/W/107            | Technical assistance afforded developing country Members should include the study of the effects of further liberalization of  |
| Egypt                    | agriculture trade under the auspices of the WTO on their agriculture sectors; with a view to seek ways and means to minimize   |
|                          | the effect of the negative aspects of said liberalization.   |
| G/AG/NG/W/136            | The establishment of a mechanism to ensure in a concrete way technical and financial assistance to developing country  |
| Kenya                    | exporters to meet SPS standards and regulations in developed country market. Such mechanism should be built within the   |
|                          | commitments in the continuation of the reform process, well programmed and closely coordinated with the provisions given in  |
|                          | the SPS Agreement.   |
| G/AG/NG/W/140            | Regarding market access, the establishment of an export promotion program [is proposed], aiming to provide technical   |
| Jordan                   | assistance to developing countries to increase their capacity and capabilities in the market access fields.  |
|                          | It is also proposed to establish a trade policy impact-monitoring program to provide the Committee on Agriculture with   |
|                          | information on main indicators regarding the adoption of the AoA provisions, and their effect on small farmer incomes as well  |
|                          | as impacts on environment and food security.   |

# F. SPECIFIC PRPOPOSALS RELATING TO PROVISIONS RELATING TO LEAST-DEVELOPED COUNTRY MEMBERS

| G/AG/NG/W/135          | Tax- and duty-free admission of those products originating in least developed countries. |
|------------------------|--|
| Democratic Republic of |  |
| Congo                  |  |