

Agriculture Negotiations Seen from Different Countries' Perspectives

USG

The USG seeks to maximize improvements in market access opportunities and to make more uniform the structure of tariff bindings for all WTO members. It also aims to lower tariff rates and bind them, as well as expand market access opportunities for products subject to tariff rate quotas (TRQs). It plans to achieve this by: reducing the disparity between applied and bound tariff rates; simplifying complex tariff regimes; creating greater certainty and transparency in the operation of tariff regimes; introducing disciplines to govern administration of TRQs and transparency and competition for import STEs; and improving market access through a variety of means to the benefit of least-developed members by all other WTO members.

Agriculture negotiations should result in substantial reductions in trade-distorting support and stronger rules that ensure all production-related support is subject to discipline, while preserving criteria-based "green box" policies that can provide support to agriculture in a manner that minimizes distortions to trade. The USG supports the primary objectives of minimizing the link between support and production through the use of appropriately specified policies. The USG favors using the existing Agriculture Agreement framework supplemented by additional disciplines. It favors meeting in January 2000 and setting dates for tabling detailed proposals for specific disciplines in each area and country-specific offers.

GOA

The government of Argentina seeks to include agriculture production as part of the general trade regime with the same protections as trade in goods. It also advocates ending subsidies, especially by developed countries (DCs), and the dumping of surplus production on the world market. The GOA supports rigorous implementation of Uruguay Round Agriculture Agreement Article 20, which states that "non-trade concerns" (environment, cultural) cannot be used to justify new protectionism, and stipulates that "special and differential treatment" should apply to the least-developed countries and not to DCs. URAA Article 10.2 seeks the adoption of disciplines on export credits and guarantees.

EC

The European Community favors substantial and long-term reduction in support and protection based on Article 20. It opposes the review of specific instruments provided in the Agriculture Agreement (AA). The EC supports the Agenda 2000 package adopted by EC heads of state, adoption of a special safeguard clause, clarification of TRQ rules, and review of non-tariff trade barriers (NTBs). The EC is

willing to discuss reduction of supports in exchange for an examination of countries with single desk exporter practices and concessional food aid. It supports aid to agriculture with minimum trade impacts and scientifically based measures to protect health, safety and animal welfare. It also expressed willing to go beyond the GSP and Lomé Convention in ensuring market access for the least developed countries.

Mercosur

The four Mercosur countries filed several position papers on agriculture prior to the WTO meeting, including one favoring transparency in food aid. They argue that food aid should not replace regular imports or discourage domestic production. Further, the Mercosur countries believe that food aid should not be tied to commercial exports and should be carried out in keeping with FAO principles. They call for transparency and measures to guarantee that only needy countries receive aid under disciplines that are WTO consistent.

Mercosur also tabled papers on Tariff-Rate Quotas (TRQ), Special Safeguards (SSGs) and State Trading Enterprises (STE). It considers SSGs unnecessary and potentially disruptive, noting that they are easily invoked. Mercosur favors their elimination in favor of reliance on the WTO and Agreement on Safeguards provisions. It also advocates disciplining the activities of governmental and non-governmental enterprises and marketing boards that benefit from monopoly import/export rights, with a view to avoiding distorting effects on the market. Such STEs are most prevalent in the trading of agriculture products. With regard to TRQs, Mercosur believes that the next market access negotiations should result in a tariff-only regime at commercially meaningful levels of protection and volumes. It would like to see the remaining tariff-rate quotas continuously and substantially increased in such a manner that, by the end of a specified period, they are no longer necessary.

GOC

The government of Cuba believes that the Tariffication process has created prohibitive tariffs for certain agricultural products. It calls for the new tariff reduction commitments to eliminate tariff peaks, and asks that all non-tariff barriers be converted into tariffs. Cuba argues that tariff escalation must be eliminated in the developed countries so that developing countries can diversify and increase their share.

The GOC favors real access for products from the least-developed countries to the markets of developed countries, and argues that special safeguard provisions should not be applied to products that are of interest to developing countries. It holds that the use of environmental standards must be limited and restricted to strictly scientific criteria.

Cuba also argues that the establishment of quality standards, labelling and

packaging must not contribute to the differentiation of products from developed and developing countries.

Cuba wants to grant flexibility in the fulfillment of agricultural provisions to countries that fall victim to natural disasters. It also favors intensifying special and differential treatment for developing economies in the context of the forthcoming negotiations.

Cuba stresses that the agricultural sectors of developing countries urgently need technical assistance from the WTO, together with other international organizations, to develop technical advice programs to enable them to fulfill their Uruguay Round commitments and ensure that they can effectively benefit from the process.

Observations

The US, the Southern Cone countries, Canada and Australia have large and relatively efficient agriculture sectors and tend to favor freer trade in agriculture products. The EC has a more protected agriculture sector and favors a slow liberalization policy plus consideration of environmental, cultural and other factors in attempting to implement a free-trade policy in agriculture. A number of NGOs and political activists support an even stronger emphasis on these latter issues.

www.wto-ministerial.org

www.state.gov/www/issues/economic/wto.html

www.usia.gov/usis.html