

WORLD TRADE ORGANIZATION

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General Council

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PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Market Access – General

Communication from Australia

The following communication, dated 18 May 1999, has been received from the Permanent Mission of Australia.

1. Australia submitted the Cairns Group Vision Statement in WT/GC/W/156 which sets out the Group's objectives for the agriculture negotiations. The following specific proposal is consistent with that Statement and is presented for consideration in the preparatory process.

Proposal

2. That, as part of the agriculture negotiations, Members agree to a major expansion of market access opportunities for all basic and processed agricultural products resulting in commercially viable access on the same conditions as those applying to other goods.

Background

3. The Uruguay Round provided a rules-based framework for agricultural trade and took an important first step in reducing the protection afforded to agricultural products. Nevertheless, considerable differences remain between market access conditions applying to the treatment of agricultural products and those applying to other products.

4. These differences include: border protection levels for many agricultural products remain well above those applying to other products; some non-tariff barriers continue in place, and; the current Agreement on Agriculture provides for special safeguards for agricultural products for the duration of the reform process as determined under Article 20.

5. Substantial cuts to protection levels for agricultural products at all levels of the processing chain must result from the next agricultural negotiations in order for agricultural trade to proceed on the basis of market forces. Such negotiations will need to consider all aspects of market access notably tariffs, tariff peaks, tariff escalation, tariff rate quota (TRQ) volumes, in-quota tariffs (while recognizing that tariff quotas will become redundant as protection levels fall) and the rules applying to market access commitments. Such an approach is required in order to meet the objectives of establishing a fair and market-oriented agriculture trading system and of correcting and preventing distortions in world agriculture markets.
