

**PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE**

Tariff-Rate Quotas

*Communication from MERCOSUL  
(Argentina, Brazil, Paraguay and Uruguay)*

The following communication, dated 22 September 1999, has been received from the Permanent Mission of Brazil.

**Proposal**

1. That, as part of the agriculture negotiations and with the aim of bringing trade in agricultural products under the same WTO rules and disciplines as trade in other goods, Members agree to ensure that the next market access negotiations result in a tariff-only regime at commercially meaningful levels of protection and volumes under eventually remaining tariff-rate quotas are continuously and substantially increased in such a manner that, by the end of a specified period, they are no longer necessary.

**Background**

2. Tariff-rate quotas established during the Uruguay Round were a result of the tariffication process and were intended to ensure "current access" or "minimum access", whenever such access was under 3 per cent. Therefore, such quotas are of a different nature from that of the restrictive quotas existing before the Uruguay Round, which were "tariffied" and eliminated during the negotiation process. Tariff-rate quotas are therefore to be seen as a transitional mechanism, having to be eliminated through a process of tariff reduction and/or progressive expansion of the quotas themselves.