# WORLD TRADE

# **ORGANIZATION**

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**General Council** 

## PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

### Negotiations on Agriculture

Measures Affecting Trade in Agricultural Biotechnology Products

Communication from the United States

The following communication, dated 27 July 1999, has been received from the Permanent Mission of the United States.

### Proposal

1. That the objectives for the negotiations include addressing disciplines to ensure trade in agricultural biotechnology products is based on transparent, predictable and timely processes.

#### Background

2. Production and trade of agricultural biotechnology products have increased dramatically in recent years as new technologies have reduced costs, increased yields, and enhanced beneficial characteristics of food and fibre products. This trend will continue as more biotechnology products with more beneficial characteristics are commercialized, and as the reduction in protection and support increases trade in agricultural products. It is critical that decision making for these products be transparent, predictable, and timely to meet the long-run objective of a fair and market-oriented agricultural trading system as well as helping ensure sufficient agricultural production to meet the world's needs.

3. Extensive trade in agricultural biotechnology products is a relatively new characteristic of international trade. However, the basic issues related to this trade are already covered under the WTO framework. For example, the Agreement on Agriculture identifies the long-term objective "to provide for substantial progressive reductions in agricultural support and protection sustained over an agreed period of time, resulting in correcting and preventing restrictions and distortions in world agricultural markets" and establishes specific disciplines on non-tariff measures. More generally, the WTO agreements are predicated on reducing trade restrictions in agriculture and on ensuring all measures are transparent and do not create unnecessary or arbitrary barriers to trade. These goals are in the interests of producers (to have fair competition in the market-place) and consumers (to ensure transparency and protection against identified hazards).

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