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WTO 일반이사회 농업분야 국별 제안서

1999. 9

농 립 부
국 제 농 업 국

“국민을 움직여야 농업이 산다”



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WTO 일반이사회 농업분야 국별 제안내용

여 백

WTO 일반이사회 농업분야 국별 제안내용

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쿠바, 도미니카, 엘살바돌, 온두라스, 니카라과, 파키스탄 (6국공동)	1	WT/GC/W/163('99.4.9)	농업협상전반
불가리아, 체크, 헝가리, 라트비아, 슬로박, 슬로베니아 (6국 공동)	1	WT/GC/W/217('99.6.28)	국내보조
일본	1	WT/GC/W/220('99.6.28)	농업협상전반
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스위스	1	WT/GC/W/261('99.6.20)	농업협상전반
EU	1	WT/GC/W/273('99.7.27)	농업협상전반
체크, 헝가리, 슬로박 (3국 공동)	1	WT/GC/W/285('99.8.3)	시장접근
루마니아	1	WT/GC/W/318('99.9.15)	농업협상전반
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**국별 제안서
(영문, 제안일자 순)**

여 백

WTO AGRICULTURE NEGOTIATIONS

Communication from Australia

The following communication, dated 10 November, has been received from the Permanent Mission of Australia.

The preparatory process agreed to by WTO Members in the Declaration of the second WTO Ministerial Conference must deliver by the third WTO Ministerial Conference an appropriate ministerial decision on the resumption of the agriculture negotiations, as mandated under Article 20 of the WTO Agreement on Agriculture. This decision must address the scope, structure and timeframe for the negotiations.

I. SCOPE

1. The decision on the agriculture negotiations will need to identify objectives for the negotiations. The new negotiations will continue the reform process begun by the Uruguay Round. It is 12 years since the long-term objectives for the Uruguay Round negotiations on agriculture were set. The new negotiations must be ambitious to deliver the long-term objectives of the Uruguay Round.

2. The Agreement on Agriculture provides the basic scope of the negotiations. Article 20 requires that negotiations continue the process of substantial progressive reductions in support and protection initiated by the Uruguay Round negotiations. The preamble to the Agreement recalls that the long-term objective of reform of trade in agriculture agreed at the mid-term review of the Uruguay Round "is to establish a fair and market-oriented agricultural trading system" and that this be achieved through "commitments on support and protection and through the establishment of strengthened and more operationally effective GATT rules and disciplines". A central part of the agricultural negotiations will thus be further, specific commitments in the three reform areas of market access, domestic support and export subsidies.

3. If it is to adequately meet the requirements of the Agreement on Agriculture as set out in the preamble and Article 20, the negotiations will also need to address how and when agriculture can be subjected fully to the GATT (1994) and other relevant WTO agreements. It may also need to address issues which currently lie outside the realm of the Agreement on Agriculture. Members have raised a number of issues that have negatively affected and will continue to affect the implementation of reductions in support and protection, such as tariff quota administration.

II. STRUCTURE

4. The structure of the agriculture negotiations will need to be specified. This will require addressing how and in what bodies agricultural trade issues will be negotiated, and the chairing of such negotiating bodies.

III. TIME-FRAME

5. The negotiations are mandated to begin before the end of 1999. Setting a time-frame for the completion of the agriculture negotiations will be important to ensure that they are completed expeditiously. In this context, some Members have noted the relevance of the 2003 expiry date for the provisions of Article 13 of the Agreement on Agriculture (the "peace clause").

6. Also important will be the setting of deadlines within the overall time-frame. These negotiating deadlines should be specified in the decision launching the negotiations. It will also be important to provide a mechanism for Members to review progress in the negotiations.

WTO PREPARATORY PROCESS: AGRICULTURE

Communication from New Zealand

The following communication, dated 10 November 1998, has been received from the Permanent Mission of New Zealand.

In order to encourage a focused and useful discussion at the first meeting of the preparatory process specifically concerning the built-in agenda subjects, and in light of the Cairns Group 'Vision' statement which was developed earlier this year (WT/L/263 of 21 April 1998), New Zealand would like to suggest that, in addition to matters relating to the time frame and structure of the negotiations, the following initial list of issues should be considered as part of the preparations for the agriculture negotiations.

I. MARKET ACCESS

1. Tariffs

- Depth of, methodologies and time frame for further tariff reductions
- Tariff peaks
- Tariff escalation
- Prohibitive tariffs
- Entry price mechanisms, price bands and other non-ad valorem tariffs

2. Tariff Quotas

- Size of, methodologies and time frame for further increases in tariff quota volumes
- Depth of, methodologies and time frame for further reductions in in-tariff quota rates
- Tariff quota administration
- Treatment of preferential access and imports from non-WTO members within tariff quotas

3. Other

- Special safeguards provisions
- Import monopolies

II. DOMESTIC SUPPORT

1. AMS

- Depth of, methodologies and time frame for further reductions in AMS
- Disaggregation of AMS by product
- Technical AMS issues, eg base periods for external reference prices

2. Other

- Production-limiting programmes - Article 6.5
- Greenbox criteria - Annex 2

III. EXPORT SUBSIDIES

- Depth (elimination) of, methodologies and time frame for further reductions in export subsidies, including subsidised export credits
- Circumvention of export subsidy commitments
- Definition of export subsidies, including basis for commitments

2. Transitional Issues

- Further disaggregation of commitments at the product level
- No new markets

3. Other

- Special and differential treatment
- Export restrictions, including export taxes

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

General Council Discussion on Mandated Negotiations and the Built-In Agenda
23 November 1998

Communication from the United States

The following communication, dated 19 November 1998, has been received from the Permanent Mission of the United States.

At the October 1998 General Council meeting, the United States presented WT/GC/W/107 containing preliminary views with respect to paragraph 9 (a)(i) of the May 1998 Ministerial Declaration regarding "issues including those brought forward by Members, relating to implementation of existing agreements and decisions." This submission is intended to supplement our initial contribution by focusing on paragraphs 9(a) (ii) and 9(a) (iii) of the Declaration regarding "the negotiations already mandated at Marrakesh, to ensure that such negotiations begin on schedule"; and "future work already provided for under other existing agreements and decisions taken at Marrakesh." Taken together, these submissions are aimed at building consensus among Members so that we may develop recommendations for Ministers on decisions concerning the further organization and management of the work program, including the scope, structure and time frames that will ensure that the negotiations and work programs will be begun and concluded expeditiously.

The Council's initial discussion of implementation confirmed that all Members give the highest priority to full and effective implementation of the Agreements concluded in the Uruguay Round and to ratification and implementation of the post-Uruguay Round agreements on basic telecommunications and financial services. Equally important, it was clear that as we prepare the forward agenda that Ministers will consider in November 1999, the challenges of implementation are certainly within the realm of the manageable and do not stand as an impediment to pursuing additional work and liberalization. For the sake of brevity, the United States will not reiterate here all the points on implementation previously raised that are relevant to the future agenda of the WTO.

Turning to the current agenda item, we draw several conclusions from our initial examination of the issues: (1) substantial preparatory work has already been commissioned in a variety of fora sufficient to ensure that negotiations will be initiated on schedule; (2) in light of current commitments to negotiations, our discussions should pave the way for development of recommendations for Ministers that include negotiating objectives and detailed plans to enable negotiations to begin as envisioned; (3) preparing recommendations on how to structure the WTO's future agenda must take into account the existing time frames and modalities established in current Agreements, and the fact that the Ministerial Conference is scheduled to meet every two years; and (4) deadlines already established, particularly with respect to the built-in agenda and reviews, need to be honored and not

held in abeyance as they will facilitate more effective participation in the system, including by trading partners at lower levels of development.

The following is an initial and preliminary review that takes into account comments received thus far in our on-going domestic consultations. We note that we will have further opportunity to supplement our views at subsequent scheduled discussions of the General Council.

I. MANDATED NEGOTIATIONS - PARAGRAPH 9(A)(II)

A. AGREEMENT ON AGRICULTURE

Article 20 of the Agreement calls for Members to continue the reform process in agriculture by continuing substantial progressive reductions in support and protection through further broad-based negotiations which ensure that the results address the full range of trade-distorting measures. Members have the benefit of extensive and detailed work as a result of the Analysis and Information Exchange (AIE) process begun at Singapore. It has allowed Members to identify areas of the Agreement requiring improvement, including the existence of significant trade distortions, and initiated the collection of data that will be required by members to make informed negotiating decisions, in addition to the Integrated Data Base (IDB) managed by the Market Access Committee. At the Third Ministerial Conference, Ministers will agree on the scope, modalities and time frames for the negotiations.

Mandate for Further Reform: Members should agree that the overall objective for the negotiations should be to expand market access opportunities by ensuring further deep reductions in support and protection and by strengthening the rules governing trade in agriculture as further articulated below. Commitments in the Round began the liberalization process in agriculture by reducing support and protection while encouraging non-trade distorting approaches for supporting farmers and the rural sector. The current Agreement resulted in disciplines in three main areas: market access, export subsidies, and domestic support. Commitments in these areas establish a baseline of binding commitments from which further reduction commitments should be made, and supplemented by additional disciplines.

- Members should agree that the existing framework provides the basis on which to pursue further reform, and will supplement this framework to ensure that the second stage of reform addresses new challenges facing the agricultural sector.

Expanding Market Access Opportunities:

- Members should agree to pursue an outcome that is ambitious.
- Members should agree that the results will improve and expand market access opportunities by lowering bound tariff rates to eliminate the disparity between applied and bound rates and by simplifying complex tariff regimes (e.g., the use of compound rates).
- Members should ensure that the market access results provide greater certainty and transparency in the operation of tariff regimes.
- Members should agree to establish new disciplines on tariff-rate quota administration.
- Members should agree that further disciplines are needed on the import activities of state trading enterprises; and

Members should agree to further limit the use of the special agricultural safeguard.

Further Disciplining Export Subsidies:

Members should agree to pursue an outcome that will result in an elimination of all remaining export subsidies.

Members should agree to clarify and strengthen rules on measures that can circumvent export subsidy disciplines, such as disciplining activities of state trading enterprises, distortive uses of export taxes and disguised export subsidies (e.g., pricing policies).

Further Disciplines and Reform of Domestic Support:

Members should agree to set an ambitious target for the reduction of trade-distorting domestic support.

Members should agree to strengthen the rules so that all production-related support is subject to discipline.

Recognizing the importance of a sound agricultural sector in all members, Members should agree that the results ensure that the “green box” exemptions continue to sustain the primary objectives of minimizing the link between support and production and allowing members to provide non-distortive support through appropriately-specified policies.

Addressing New Challenges to the Agricultural Sector:

Members should agree that an important outcome of the reform process will be to address additional measures that unjustifiably distort international trade and to subject them to rules and disciplines, including possibly outside of the Agriculture Agreement.

Members should agree to pursue additional multilateral approaches for implementing commitments (for example, in the Agreements on the Application of Sanitary and Phytosanitary Measures and on Technical Barriers to Trade) to bring more predictability and discipline to measures affecting agricultural products while protecting health and the environment.

Members should agree to pursue additional approaches that address market access issues for biotechnology products.

Developing the Modalities for Negotiations: The AIE process has resulted in extensive submissions by Members, and work by the Secretariat to provide information on commitments, performance, and issues of particular importance to developing countries.

Members should be prepared to consider negotiating modalities, including possible plans for conducting the negotiations, by the 2nd quarter of 1999.

Members should complete the IDB requirements to ensure that market access negotiations will proceed, as scheduled.

Time frame for Conducting Negotiations: The current Agreement provides for the implementation of commitments with different timetables, and for the expiry of certain exemptions from current rules. An issue Ministers will need to address is the avoidance of a pause in the reform process as the next set of commitments are negotiated.

- Members should establish deadlines for the new commitments to be undertaken, taking into account the expiration of due restraint provisions. Members should establish mid-points to ensure progress continues on schedule, and a means to ensure that there is no pause in the liberalization program.

Food Aid / Security of Food Supplies: Further reform should not adversely affect the ability of developing countries to meet their food import needs.

- Members should agree to take into account the results of the negotiations on a new Food Aid Convention in developing the program of negotiations.

B. GENERAL AGREEMENT ON TRADE IN SERVICES

The Council for Trade in Services (CTS) has five main areas of preparatory work that Members must advance if we are to develop appropriate recommendations for the scope, modalities and time frames for negotiation.

Information exchange: The CTS took up this work in June and, by December, will have completed exchanges of information on 18 sectors.¹ Submissions by Members and by the Secretariat have produced a broad and useful base of information on the nature and importance of trade in services in the particular sectors, the evolution of new or newly-tradable services, the scope of existing commitments, and the issues requiring further attention.

- Members already have identified classification issues as requiring more attention, and the CTS has asked the Committee on Specific Commitments to take account of information developed to date in its classification work.

Assessment of trade in services in overall terms and on a sectoral basis with reference to the objectives of the GATS, including Article IV:1 (benefits for developing countries): Discussions on this topic will begin at the January CTS meeting, although this assessment already has been proceeding sector by sector during the information exchange.

- Given the important role that services can play in the development of Member economies, the assessment will facilitate the development of an appropriate negotiating scenario that takes into account the benefits for developing countries of services trade liberalization and GATS bindings, consistent with Article IV:1.

¹June: postal and courier services, audiovisual services, construction and engineering services, distribution services; July: legal services, advertising, architecture and engineering, computer services, environmental services; October: health and social services, education, tourism and travel-related services, energy; November: air, rail, road, and sea transport; December: telecommunications, financial services, accounting, "modes" of delivery.

Establishment of negotiating guidelines and procedures, including modalities for the treatment of autonomous liberalization since previous negotiations, and for special treatment for least-developed country Members under Article IV:3:

- This phase of the preparatory process will build on both the information exchange and the assessment. The guidelines and procedures will need to reflect the overall mandate for the negotiations, the results of which should be both liberalizing and comprehensive in scope; that is, the next GATS negotiations should yield broader and deeper commitments, particularly from Members that have not participated fully in past negotiations.

Article VI:4: measures relating to qualification requirements and procedures, technical standards and licensing requirements: Ministers mandated an examination with a view to taking the work as far as possible before the commencement of the next GATS negotiations.

- This work will begin at the November 23-24 meeting of the CTS. During the information exchange, the CTS has developed information on sectors in which such disciplines may be appropriate, as well as on relevant work already undertaken in other fora. Thus, it is timely that the CTS take up this work toward the conclusion of the information exchange.

Improved classification: The Committee on Specific Commitments has attempted to develop improved classification of services, an important basis for enabling Members to schedule clear and commercially-relevant commitments.

- The Committee was instructed by Ministers to make recommendations for improving the technical accuracy and coherence of schedules of specific commitments and lists of exemptions from Article II of the GATS before the start of the next GATS negotiations.

In addition to the preparatory work, Members should undertake other work related to the next GATS negotiations:

Review of MFN exemptions: Not later than five years after entry into force of the WTO Agreement, the CTS must conduct its first review of all MFN exemptions that have been granted for a period of more than five years.

- The CTS should take up this issue early in 1999 so that recommendations may be made.

Review of the Annex on Air Transport Services. At least every five years, the CTS must review developments in the air transport sector and the operation of the Annex on Air Transport Services with a view to considering the possible further application of the GATS to that sector.

- The United States believes the CTS should take up this issue early in 1999. This discussion can build on the November information exchange session on air transport services.

II. BUILT IN AGENDA ISSUES - PARAGRAPH 9(A)(III)

A. AGREEMENT ON TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS (TRIPS)

The TRIPS Agreement provides for further negotiation and/or review of several provisions of the Agreement, including the issue of biotechnology patents. In addition, the TRIPS Agreement provides for a review in 2000 to examine, inter alia, "relevant new developments which might warrant modification or amendment of the Agreement." In this submission, the United States calls attention to

what we consider to be the most critical issues Members will need to consider in terms of the reviews required by the built-in agenda.

Patentable Subject Matter: Article 27.3(b) allows members to exclude from patentability plants and animals. It also states that the provisions of this subparagraph shall be reviewed four years after the date of entry into force of the WTO Agreement.

- The TRIPS Council will initiate work on this item in 1999, to consider whether it is desirable to modify the TRIPS Agreement by eliminating the exclusion from patentability of plants and animals and incorporating key provisions of the UPOV agreement regarding plant variety protection.

Dispute settlement: non-violation cases: Article 64.3 requires the Council for TRIPS to examine, during the five years from the date of entry into force of the WTO Agreement, the scope and modalities for the complaints provided for under subparagraphs 1(b) and 1(c) of Article XXIII of GATT 1994 made pursuant to the TRIPS Agreement, and to submit its recommendations to the Ministerial Conference for approval. Any decision of the Ministerial Conference to approve such recommendations or to extend the 5 year moratorium on non-violation cases provided under Article 64.2 shall be made only by consensus.

- The United States believes that the moratorium on non-violation cases should be allowed to expire on schedule, on January 1, 2000.

Implementation Review: Article 71.1 requires the Council for TRIPS to review the implementation of the TRIPS Agreement after the expiration of the transitional period referred to in paragraph 2 of Article 65, namely after 1 January 2000.

- The United States had made suggestions regarding implementation in its earlier submission; the review gives additional importance to ensuring effective implementation.

B. AGREEMENT ON SUBSIDIES AND COUNTERVAILING MEASURES

The Agreement calls for various reviews of the operation of certain provisions, and several reviews have been or are to be completed prior to the Third Ministerial Conference. In this submission, the United States calls attention to what we consider to be the most critical issue Members will need to consider in terms of the reviews required by the built-in agenda.

Dark Amber and Green Light Rules : Article 31 refers to the operation of Articles 6.1, 8 and 9 of the Agreement, the so-called "dark amber" and "green light" rules. Article 6.1 establishes in certain circumstances rebuttable presumptions of serious prejudice caused by actionable subsidies; Articles 8 and 9 determine the treatment and non-actionable status of certain subsidies provided for specified industrial R&D, regional development or environmental compliance purposes. Article 31 provides that Articles 6.1, 8 and 9 will apply for a period of five years from the entry into force of the WTO and that, not later than 180 days before the end of this period, the Subsidies Committee will review the operation of these provisions "with a view to determining whether to extend their application, either as presently drafted or in a modified form, for a further period."

- The Council should be informed, at the appropriate time, of the progress of the Subsidies Committee in its deliberations, recognizing that the Committee has invested significant time and attention in the first years of the Agreement to work on formats, procedures and guidelines to clarify and facilitate the use of these provisions.

C. AGREEMENT ON TRADE-RELATED INVESTMENT MEASURES (TRIMS)

Article 9 of the Agreement requires a review of the Agreement not later than five years after the date of entry into force by the Council on Trade in Goods. Its purpose is to consider the operation of the Agreement, propose amendments as appropriate and consider whether the Agreement should be complemented with provisions on investment policy and competition policy. Neither the Committee nor the Council have established any plans or procedures for conducting this review, which is to be conducted before the end of next year.

Issues for the Review: The work of the TRIMs Committee is likely to be influenced by work underway in the Working Groups established at Singapore on Investment and on Competition Policy and the reports to be submitted to the General Council before the end of the year. Nonetheless, the Committee and Council on Trade in Goods should examine additional improvements in the review.

- The Committee and the Council should consider the desirability of broadening the Agreement by expanding the disciplined list of TRIMS to include export performance requirements, technology transfer requirements, and product mandating requirements.

D. TRADE POLICY REVIEW BODY

The Trade Policy Review (TPR) was one of the early agreements concluded in the Uruguay Round, with implementation provided for on a provisional basis pending the conclusion of the negotiations. The Agreement is to be reviewed before the end of 1999, and any improvements should be implemented immediately thereafter. While all Members will agree that the TPR plays an important role in ensuring greater transparency and better understanding of the overall trade regimes of individual WTO Members, it is resource-intensive for both the Secretariat and delegations.

Cooperation with Other International Organizations: As part of overall efforts on coherence and rationalization of resources, greater effort is needed to ensure the WTO Secretariat is coordinating its work on TPRs with other international organizations. (We note that in the case of the least-developed countries, this was an important element of preparations for the High Level Meeting and the roundtables.)

- The TPR provides an excellent, on-going means for the Secretariat to consult and share information with relevant international organizations and UN bodies to maximize resources while covering the widest range of issues.

AGRICULTURE: CONTINUATION OF THE REFORM PROCESS

Communication from Argentina

The following communication, dated 23 November 1998, has been received from the Permanent Mission of Argentina.

I. OBJECTIVES

1. Article 20 of the Agreement on Agriculture provides for the "continuation of the reform process" in agricultural trade. To this end, negotiations are to be initiated one year before the end of the implementation period, i.e. the end of 1999.
2. The purpose of these negotiations flows both from the text of Article 20 and from the Preamble to the Agreement: "to establish a fair and market-oriented agricultural trading system", a "long-term" objective calling for "substantial progressive reductions in support and protection resulting in fundamental reform" of agricultural trade.
3. In a word, the "long term" has to come one day, and setting that date is precisely what should be done in the negotiating process that is to begin at the end of next year.
4. The objective is clear and stems from the Marrakesh mandate: agriculture must cease to be a second-class citizen in the system. As from the conclusion of the forthcoming negotiations, agriculture must become definitively and completely integrated into the general disciplines of the system.

II. PROCEDURAL ISSUES

5. The Third Ministerial Conference will have to convene these negotiations and define the necessary procedural points, so as to enable the negotiating process directly to address the substantive issues.
6. To this end, this General Council will have to reach consensus on the procedural issues to be included in that mandate: starting date for the negotiations, manner in which they will be conducted, and time-limit within which the body responsible for the negotiations will have to submit its results.

7. The decision in question should therefore include:
- (a) Starting date for the negotiations. These are due to begin before the end of 1999. In this connection, the task of the Third Ministerial Conference is relatively simple, namely to set an exact date within those parameters.
 - (b) The negotiating mandate has to include a planned date for completion. Obviously, the expiry of the Peace Clause (31/12/2003) sets a limit to the negotiating process, and it would be wise to schedule the completion of the process, some time in advance of the expiry of that Clause. The commitments and disciplines provided for in the Agreement on Agriculture give rise to obligations and duties for Member States, and consequently any modification to be made in them will first have to be dealt with by the legislative bodies of our respective governments. Accordingly, the negotiations should end by 31 December 2002. This would give us a period of one year to make the necessary legislative amendments to adapt our domestic legislation to the new Agreement.
 - (c) It will also be necessary to set a time-limit for submission of specific negotiating proposals. While it will certainly be necessary to continue receiving proposals aimed at narrowing differences between positions after that date, these subsequent proposals should refer to those submitted before the deadline. In other words, after a given moment the negotiating process should exclusively address the preparation of a final outcome, for which purpose it will be necessary to focus efforts on the search for consensus.
 - (d) The negotiations should be conducted by a body set up exclusively for this purpose, and this process should not affect the regular work of the Committee on Agriculture.

III. AGENDA FOR THE FORTHCOMING NEGOTIATIONS

8. The objective of integrating agriculture into the general rules of the multilateral trading system will call for an agenda embracing all aspects covered by the current Agreement on Agriculture without exclusions of any kind. Nevertheless, some items such as administration of tariff quotas and state trading enterprises extend beyond the bounds of that Agreement. Since at this stage in our work we do not yet know how comprehensive the forthcoming multilateral trade negotiations will be, it does not seem advisable to take a definite position on this issue.

9. If the negotiations were limited to those already provided for in the Marrakesh mandate, these items would have to be included in the agenda of the agricultural negotiations. If on the other hand the forthcoming negotiations are more comprehensive, then some of these aspects could be discussed separately.

10. Finally, as appeared from the discussions during the last special meeting of this General Council devoted to considering the implementation of the Uruguay Round Agreements, two aspects should be highlighted:

- (a) There are still some outstanding accounts which have to be settled before the new round of negotiations is begun. In agriculture, these include in particular the failure to fulfil the obligation under Article 10.2 of the Agreement relating to the adoption of disciplines on export credits, export credit guarantees and export insurance programmes. It is often sought to justify the lack of results in this area by the continuing and intensified use of export subsidies, and we must admit that this link is not entirely groundless. Article 10 is indeed entitled "Prevention of Circumvention of

Export Subsidy Commitments". Developing countries have access only to legitimate instruments of competition: quality and price. If we wish to sell our products, we have to strive to produce better and cheaper. We therefore find it equally unacceptable that the main world exporters should enjoy the privilege, the "special and differential right" to drive us out of the market by subsidizing either the prices or the payment terms for their exports.

The commitment that has been undertaken to draw up disciplines governing the grant of export credits, credit guarantees or insurance programmes should not be negotiated all over again; it should be implemented. We developing countries have already paid and are continuing to pay for this Clause every time we are displaced from a market, either through the use of subsidies or through the use of subsidized credits.

- (b) Precisely in this connection, at the last meeting of this Council a message was clearly delivered to all those present: the application of "special and differential treatment" for developing countries is far from allowing us to participate equally in the benefits of the Uruguay Round Agreements. During the forthcoming renegotiation of the Agreement on Agriculture this situation should be reversed. The first step is that the law must be the same for everyone. Export subsidies are an additional privilege, in favour of countries that do not need to add further privileges to their already privileged situation; they should be done away with immediately. Beyond this, the outcome of the forthcoming agricultural negotiations must permit the developing countries to participate fully in the benefits of the liberalization of agricultural trade. The idea that "non-trade concerns" as mentioned in Article 20 of the Agreement should enable some developed countries to find new arguments to justify protectionism is unacceptable to us.

Neither consumer concerns nor protection of the countryside, rural culture or the environment need to lead to mountains of surpluses that are subsequently tipped on the world market at prices with which we cannot compete and which ultimately generate yet more marginalization and poverty in our countries.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

General Council Discussion on Mandated Negotiations on Agriculture and Services
23-24 November 1998

Communication from Egypt

The following statement made by Egypt at the Informal Intersessional General Council meeting on 23 November 1998 is being circulated at the request of that delegation.

The built-in-agenda (BIA) is an integral part of the Uruguay Round Agreements (URAs) and constitutes an important element in the balance of rights and obligations of the commitments of WTO members. It contains an ambitious program of work of unfinished negotiations, special reviews, regular reviews and new negotiations.

As you requested, this statement will be limited to the consideration of the mandated negotiations in agriculture and trade in services.

We believe that all WTO members are committed to start these negotiations on time. We will be ready to address the scope, structure and time framework of these negotiations. However, we would like to indicate that these negotiations have to be governed by a number of guiding principles.

We believe that these principles have to be adequately taken into account in order for our negotiations to start in a constructive and forthcoming manner. A number of these principles are already stipulated in the relevant provisions on the mandated negotiations in Article 20 in the Agreement on Agriculture and Article 19 of GATS.

These principles which we are confident will be further elaborated on and developed by other delegations, include the following:

- (1) A comprehensive evaluation of the implementation of the provisions of the Agreement on Agriculture and the Agreement on Trade in Services and in particular the impact on the trade of developing countries is a prerequisite to a successful initiation of negotiations and to safeguard the credibility of the Multilateral Trading System.
- (2) One of the most important objectives of the negotiations should be to address the difficulties facing developing countries in the process of implementation. This would apply only to the limited difficulties that can not be addressed except through future negotiations.
- (3) Special and differential treatment and taking into account the particular interests of developing countries should be a fundamental cross-cutting consideration in all aspects of the negotiations.

(4) The scope, structure, and time frame should be realistic and has to take into account that these negotiations will be conducted at a time when most developing countries are finding it exceedingly difficult to effectively participate in the regular WTO activities. Hence, negotiations must take into account the *limited capacity and the resources available at the disposal of developing countries* in this respect. If not, then it should be known before hand that the major trading partners will conduct these negotiations with a very few number of developing countries while the majority of developing countries will wait to be informed about the outcome-of negotiations to which they will not be in a position to take part.

(5) Adequate assistance should be provided, to developing countries and in particular to LDCs, to assist them in ensuring that their interests are fully taken into account in future negotiations.

I would like to briefly address the future negotiations in both agriculture and services.

Article 20 of the Agreement on Agriculture indicates that a number of elements should be taken into account in the mandated negotiation. These include the experience in implementing reduction commitments and their impact on world trade in agriculture. Moreover, non-trade concerns, S&D treatment to developing countries, a fair and market oriented agriculture trading system as well as the objectives contained in the Preamble of the Agreement on Agriculture are also elements that are indicated in Article 20.

From our perspective, four indispensable objectives of the preamble should be taken into consideration in negotiations. These include *inter alia*: first, that developed countries should take into account the particular interest of developing countries by providing greater market access opportunities to products of export interest of these countries. A second objective is related to having regard to non-trade concerns including food security. A third equally important objective is that S&D treatment is an integral element of the negotiations. A fourth crucial objective is to take into account the possible negative effects of the reform program on LDCs and NFIDCs.

We would also like to indicate that we believe that the papers that were submitted by New Zealand and the US for this meeting (documents WT/GC/W/112/Rev1 and WT/GC/W/115 respectively) are not in complete conformity with Article 20 of the Agreement on Agriculture since they consider S&D treatment for developing countries in the negotiations in agriculture as a peripheral or a marginal issue and not as an integral part of future negotiations as stipulated by the Agreement.

The difficulties identified in the process of implementation of the Agreement on Agriculture in the areas of market access, domestic support and export subsidies are examined in some detail in the Egyptian paper on S&D treatment (document WT/GC/W/109). We will therefore not repeat these issues. Nevertheless, I would like to indicate the following:

(1) We believe that the Secretariat should prepare a comprehensive paper to assess the impact of the implementation of the Agreement on Agriculture. As we mentioned in the October informal meeting of the General Council, the analysis of the share of developing countries in the growth of trade in agriculture after the UR compared to the levels before the implementation process will be of significant importance for the evaluation of the situation and the preparation for future negotiations. The current tariff levels and tariff reductions since the implementation process started, particularly in products of interest to developing countries, should be analyzed on a tariff line basis in preparation for future negotiations. The impact of the implementation of the Agreement on food security, particularly of developing countries, should be analyzed as well.

(2) As we indicated in the October meeting, the Secretariat has prepared a factual note in the context of the *analysis and exchange of information* process on the implementation of the special and

differential provisions in the Agreement on Agriculture. It will be necessary to complement this note with an analytical examination of the implementation of these provisions. This is an essential ingredient for the effective consideration of issues pertaining to future negotiations.

These studies can be conducted in cooperation with FAO, UNCTAD and other relevant organizations.

We have indicated in the October meeting as well that the implementation of the Decision on NFIDCs has been a source of deep concern to NFIDCs and LDCs and that no progress has been identified by these countries towards the implementation of this Decision. What is even more disturbing is that a delegation have taken the view that the anticipated difficulties facing NFIDCs simply did not materialize. We believe that delegations should be more sensitive to the concerns and preoccupations of developing countries if our objective is to have an approach that is more forthcoming and constructive and not confrontational.

We would like to note that the statement that was made by the delegation of Australia in this meeting has a much more positive tone in relation to NFIDCs compared to the statement in the October meeting. We welcome this positive tone. However, we believe that their approach is similar to that presented by the US and New Zealand in relation to s&d treatment.

The statement by Australia indicated that price movements in agricultural products is not due to the implementation of the Uruguay Round. We do not share this view. If this is the case then it means one of two things: either that the commitments in the Agreement on Agriculture were minimal and have not affected market prices, or that the market mechanism is not functioning. We do not believe that either alternative is true.

Furthermore, the difficulties facing NFIDCs should not await the new negotiations. The non-implementation of this Decision will effect the credibility of the whole system and may lead to unnecessary complications that we should avoid.

The AIE process that started as a result of the Decision of the Singapore Ministerial Conference has been helpful. The Secretariat has prepared a number of useful papers. Contributions by members were also very useful in deepening the understanding of various issues and view points in the process of implementation. However, the participation of many developing countries in this process has been constrained due to lack of adequate institutional and human capacity.

As far as the negotiations on trade in services is concerned, according to Article 19 of GATS, the objective is to achieve a progressively higher level of liberalization in successive rounds of negotiations. This liberalization shall respect national policy objectives for individual developing countries for opening fewer sectors, liberalizing fewer types of transactions, extending market access in line with their level of development, and when making access to their markets, attach to such access conditions aimed at achieving the objectives of Article 4 (related to the increasing participation of developing countries in international trade in services)

It was agreed in Singapore to commence a process of exchange of information to facilitate future negotiations. This process has been helpful. The Secretariat has prepared a number of useful papers. Contributions by members were also very useful. However, the situation is quite similar to that in the AIE process in agriculture. The participation of many developing countries has been constrained due to lack of adequate institutional and human capacity.

To prepare for negotiations, the Council for Trade in Services should carry out an assessment of trade in services in overall terms and on a sectoral basis with reference to the objectives of GATS, including those set out in paragraph 1 of Article 4. Such an assessment would need to include, *inter alia*

an analysis of whether commitments on commercial presence has led to a positive impact on FDI. Negotiating guidelines should establish modalities for the treatment of liberalization undertaken autonomously by Members since previous negotiations, as well as for the special treatment for developing countries.

As we indicated in the October meeting, the sectors where agreements have been recently concluded such as financial services and basic telecommunications are capital, technology and knowledge intensive. Developing countries are constrained in increased participation in international trade in these sectors.

Furthermore, although one of the most significant aspects of GATS is that it covers cross-border movement of service suppliers as an integral part of trade in services, there have been no meaningful liberalization in the mode of movement of natural persons without commercial presence. Due to the extremely limited nature of commitments undertaken, the benefits accruing to developing countries as a result of these commitments are likely to be marginal. We believe that useful cooperation can take place between WTO and IOM in this regard.

It is also regrettable that the negotiations concerning emergency safeguards which could encourage developing countries to make more significant liberalization commitments have not been concluded.

We hope that these trends would be reversed in future sectoral negotiations and that our future consideration of this issue would be based on a study that would be prepared by the Secretariat to address the above mentioned issues with a particular focus on the effective participation of developing countries in trade in services since the entry into force of the Uruguay Round compared with the situation before the Round.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Communication from Australia

The following communication, dated 23 March 1999, has been received from the Permanent Mission of Australia.

The following is a proposal for consideration in the second phase of the preparatory process which sets out Cairns Group objectives for the mandated agriculture negotiations:

1. The Cairns Group of agricultural fair traders reaffirms its commitment to achieving a fair and market-oriented agricultural trading system as sought by the Agreement on Agriculture. To this end the Cairns Group is united in its resolve to ensure that the next WTO agriculture negotiations achieve fundamental reform which will put trade in agricultural goods on the same basis as trade in other goods. All trade distorting subsidies must be eliminated and market access must be substantially improved so that agricultural trade can proceed on the basis of market forces.
2. The Uruguay Round provided a rules-based framework for agricultural trade and took an important first step in reducing agricultural support and protection. Levels of support in OECD countries, however, remain at very high levels, with US\$280 billion in total transfers to agriculture in 1997. Also, for many products major impediments continue to constrain market access opportunities. The negotiations, to commence in 1999, must deliver major improvements to the rules, the elimination of subsidies that distort prices, production and trade, and substantial cuts to protection levels.
3. Completing the task of liberalizing agricultural trade will bring important benefits in terms of economic growth, improved welfare, food security and sustainable development.
4. Food security will be enhanced through more diversified and reliable sources of supply, as more farmers, including poorer farmers in developing countries, are able to respond to market forces and new income generating opportunities, without the burden of competition from heavily subsidized products. Export restrictions must not be allowed to disrupt the supply of food to world markets, in particular to net-food importing countries.
5. In many cases agricultural subsidies and access restrictions have stimulated farm practices that are harmful to the environment. Reform of these policies can contribute to the development of environmentally sustainable agriculture.
6. The principle of special and differential treatment for developing countries, including least-developed countries and small states, must also remain an integral part of the next WTO agriculture negotiations. The framework for liberalization must continue to support the economic development needs, including technical assistance requirements, of these WTO Members.

7. As preparations for the agriculture negotiations intensify, the Cairns Group will push for a comprehensive framework which addresses all areas affecting agricultural trade. A central part of this will be further, far reaching, and specific commitments in each of the three reform areas.

Export Subsidies

8. There is no justification for maintaining export subsidies. It is essential that the 1999 negotiations ensure the early, total elimination and prohibition of all forms of these distortive and inequitable policies. There must be clear rules to prevent all forms of circumvention of export subsidy commitments. Also agricultural export credits must be brought under effective international discipline with a view to ending government subsidization of such credits.

Market Access

9. Access opportunities for agricultural products should be on the same conditions as those applying to other goods and should be commercially viable. Tariffs must be the only form of protection, tariff escalation must be removed and tariff peaks curtailed. The 1999 negotiations must result in deep cuts to all tariffs, tariff peaks and tariff escalation. They must provide a major expansion of market access opportunities for agricultural products, including value-added products. The removal of non-tariff barriers must be completed without exception. Trade volumes under tariff rate quotas must be increased substantially. The administration of tariff rate quotas must not diminish the size and value of market access opportunities, particularly in products of special interest to developing countries.

Domestic Support

10. Overall levels of domestic support for agriculture remain far in excess of subsidies available to other industries. The 1999 negotiations must result in major reductions in domestic support for all agricultural products. All trade distorting domestic subsidies must be eliminated with only non-distorting forms of support permitted. Close attention will be paid to compensation for the shift away from price support and the Cairns Group will work to ensure that income aids or other domestic support measures are targeted, transparent and fully decoupled so that they do not distort production and trade.

11. The WTO agriculture negotiations are mandated to begin before the end of 1999. The Cairns Group will work to ensure that the necessary preparations have been undertaken so that the negotiations begin on time, and are completed as soon as possible. The reform process must continue unabated and the outcome must put trade in agricultural goods on an equal footing with trade in other goods.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Agreement on Agriculture

Communication from Pakistan

The following communication, dated 26 March 1999, has been received from the Permanent Mission of Pakistan.

1. The agriculture sector was brought into the fold of multilateral rules during the Uruguay Round with an explicit objective of establishing a fair and market oriented system where free movement of agricultural products across the border would be achieved. The approach was to introduce disciplines which would oblige Members to substantially and in a progressive manner reduce agricultural support and protection, and to take into account the particular needs and conditions of the developing countries by providing for a greater improvement of opportunities and terms of access for agricultural products.

2. Empirical evidence demonstrates that the objectives set out have not been realized. The sector still remains highly protected in the developed economies mainly due to their lack of political will to fulfil the commitments undertaken during the Uruguay Round (i.e. non implementation of the obligations undertaken) and secondly because of the built in deficiencies in the provisions of the Agreement. For Pakistan, issues of implementation in the Agreement on Agriculture are of vital importance. We have emphasised this aspect in our previous submissions and we reiterate again that implementation of the commitments must be a prerequisite to any future negotiations on this subject. We have, therefore, divided our submission in two parts. Part "A" deals with implementation issues which need immediate action of the Membership and Part "B" comprises issues which may be addressed in the mandated negotiations.

I. PART "A"

3. Tariffication through overvaluation of tariff equivalents, selective tariff reductions and tariff escalations have been used as a trade restrictive measure by the developed countries to discourage imports of agricultural products and diversification initiatives toward processed food.

4. This needs immediate redressal and rectification and rationalization in line with Members' market access commitments undertaken in the Agreement on Agriculture.

5. The continuation of domestic support to domestic producers and the ability of the developed countries to "re-balance" domestic support commitments on aggregate basis to undertake much lower

reductions in most of the agricultural products of interest to developing countries has continued its eroding effect on the competitiveness of other suppliers.

6. We believe that a collective long-term goal is to ensure that countries compete on a commercial basis on quality, price and service rather than on government subsidized programmes. It would be unjustified to expect suppliers to compete with federal/local treasuries. Substantial reductions in domestic support are, therefore, necessary as required under the Agreement. Unless these commitments are fulfilled the divide between the developing and the developed countries in the agricultural sector will be further widened.

7. Discriminatory and non-transparent tariff rate quotas administration by allocation of MFN tariff quotas to preferential suppliers, better access to state trading enterprises, limitations on imports of particular products under broadly defined quota commitments and making imports under tariff quotas conditional on absorption of domestic production of the product concerned besides maintenance of other non-tariff border measures are some of the other instances of non-compliance of market access commitments by the developed countries.

8. The trade distortive effect of these instruments is immense. Unless there is a level playing field developing countries will have little to gain from the Agreement. A recent WTO study substantiates this assertion. The share of agricultural product exports originating from developing countries has been at 4 1/2 % from 1990 to 1997. There is urgent need for explicit guidelines or minimum disciplines to ensure that these measures have the least trade distortive effect on developing country exports.

9. The Ministerial Decision on measures concerning the possible negative effects of the reform programme on LDCs and Net-Food Importing Developing Countries is a binding commitment since it has also been incorporated in Article 16 of the Agreement. The Decision commits developed countries to provide assistance to the least developed countries and Net-Food Importing Developing Countries in the following manner:

- Financial assistance to offset higher world prices and enable them to maintain normal imports of goods.
- Adequate levels of food aid.
- Financial and technical assistance to improve agricultural productivity and infrastructure.
- Favourable treatment in relation to agricultural export credits. It is unfortunate to note that the Ministerial Decision has been completely ignored.
- Concrete operational measures and programmes must be initiated and incorporated in the Ministerial Decision in order for it to be a reliable instrument which is both effective and responsive to countries' needs.

10. Unless these prevailing imbalances in competition are rectified any further opening of developing countries' markets will have substantial adverse affects on their welfare. Therefore, these issues need to be addressed and resolved before the new negotiations commence.

II. PART "B"

11. Pakistan shall promote the following objectives under the mandated negotiations:

An assurance that the developed countries will refrain from "backsliding" towards higher and selective agricultural and industrial protectionism.

A meaningful reduction in the tariff ceilings by the developed countries by 2005 and strengthening the market access provisions.

Step increases in tariff rate quotas.

Immediate elimination of all kinds of domestic support, product specific subsidies and all kinds of export subsidies by the developed countries.

Elimination of special safeguard provisions (since these are often used as protectionist tools).

The developing and least developed countries, in view of their special needs and different levels of development, require better S&D disciplines and more flexibility in the use of domestic support to the agricultural sector. The developing countries will look at mandated negotiations as an opportunity to minimise flexibility in domestic support by developed countries and providing more flexibility in this regard to developing and least developed countries. To this effect, an understanding should be reached that the restrictions available in Article 3 of the Agreement on Agriculture will not apply to the developing countries and that those developing countries which have already provided their schedules on reductions of domestic support and export subsidies shall be allowed flexibility to enhance the levels of these measures and to lessen the pace of reduction of such levels within their national policies to enable them to develop their agricultural sector and to ensure food security. Therefore, through a clarification or amendment of Article 3 or 4 of the Agreement, the developing countries should be excluded from the discipline of import control and domestic support in the food product sector.

- Tariff escalation in developed countries may be rationalized so as to encourage diversification in the processed food sector by developing countries. (At present, tariff escalation is being used by some countries as a policy instrument to indirectly impede diversification and value addition in agricultural products).
- Most of the net food-importing developing countries face balance of payments problems. In order to meet their rising import bills for food, the developed countries may take an initiative by contributing towards a revolving fund to help ease this problem. There should be a provision in the Agreement elaborating upon the criteria for contribution and the enforcement mechanism.
- The Agreement should envisage a technical assistance programme, whereby the developed countries may help the developing countries in increasing their productivity, storage, grading and packing facilities.

12. Unless such provisions are made in the Agreement and their implementation ensured through an effective mechanism, the developing countries may feel further marginalised. The developing countries will be looking forward towards improved disciplines on agriculture and a well defined road map for their effective implementation under the WTO.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

*Communication from Cuba, Dominican Republic, El Salvador,
Honduras, Nicaragua and Pakistan*

The following communication, dated 25 March 1999, has been received from the Permanent Mission of Cuba.

1. Introduction

After accepting the WTO Agreements, developing countries have not obtained better access to markets for their agricultural exports in the developed countries' markets. The following are among the causes whereby better market access opportunities have not been achieved: continuing tariff peaks, selective tariff-cutting, tariff escalation, shortcomings of the minimum access arrangements, and sanitary and phytosanitary requirements.

2. Proposal

In order to remedy the above-mentioned imbalances and ensure real and effective market access for developing countries, the following elements will have to be taken into account in the future negotiations:

(a) Market access

Achieving considerable improvement in market access for the main export products of developing countries, through: a real reduction in tariff peaks, progressively increasing the volume of tariff quotas, reducing tariffs within tariff quotas, increasing transparency in the administration of tariff quotas and eliminating non-tariff barriers. In addition, the special safeguard provisions should not be applied to products of interest to developing countries.

(b) Domestic support

Granting developing countries flexibility and facilities in the use of domestic support in the agricultural sector if it is aimed at improving marketing, transport and diversification of agricultural production as well as for complying with sanitary and phytosanitary standards.

(c) Special attention for net food-importing countries

Improving market access for products from net food-importing countries in order to enable them to raise their export earnings and so be able to cope with the increases in their food import bill.

Financial and technical assistance commitments by developed countries to enable developing countries to diversify and increase agricultural productivity and cope with increases in their food import bill.

- (d) Non-trade concerns of developing countries, in particular those with small and vulnerable economies

Drawing up of a package of measures aimed at improving the national food security situation, maintaining the living standards of the rural population and preserving the environment; such measures should be exempted from the reduction commitment.

Granting flexibility in fulfilling the provisions in agriculture for countries that are victims of natural disasters and allowing the temporary application of domestic support measures aimed at reviving domestic production.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Objectives for the Agriculture Negotiations

Communication from Australia

The following communication, dated 9 April 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.

2. Proposal:

2. That the objective for the agriculture negotiations be, by a specified date, to put trade in agricultural goods on the same basis as trade in other goods and establish a fair and market oriented agricultural trading system which corrects and prevents restrictions and distortions.

3. Background:

3. In the 50 years since the GATT was established, it has provided a rules-based framework which has been the basis for a remarkable expansion in trade and world income. Barriers to trade in industrial products have been significantly reduced: the average tariff is less than 4%; export subsidies have been banned; restrictions, subsidies and non-tariff measures are subject to tight disciplines.

4. In contrast, and despite the first steps taken in the Uruguay Round, protectionism in the agricultural sector continues to flourish. Tariffs of 300% and more are not uncommon; export subsidies, including the undisciplined use of export credits, and high levels of trade-distorting domestic subsidies abound. Agriculture-specific rules provide for other "special" exemptions from normal WTO rules for trade in agricultural products. The levels of protection and the contribution to global trade distortions vary across WTO Members. The support provided to agriculture in OECD countries in 1997 reached around US\$ 280 billion, an amount greater than the total value of exports from Latin America and the Caribbean.

5. As a result, Members with a comparative advantage in agriculture, including many developing and least developed countries that are dependent on this sector, have not received the benefits of an open and non-discriminatory multilateral trading system.

6. It is essential that the next WTO agriculture negotiations achieve the fundamental reform which will put trade in agricultural goods on the same basis as trade in other goods. This is required in order to establish a fair and market-oriented agriculture trading system which corrects and prevents restrictions and distortions in world agriculture markets. It is not acceptable that discrimination continues against trade in agriculture while barriers to capital, technology and industrial goods are reduced to a minimum or eliminated.

7. The Ministerial Decision in Seattle which will launch the agriculture negotiations must set the overarching objective and provide for further substantial commitments on market access, export competition, domestic support, and special and differential treatment. The Decision must specify the scope, structure, timeframe and other details necessary to ensure that the negotiations are completed as soon as possible.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Special and Differential Treatment

Communication from Australia

The following communication, dated 9 April 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.

2. Proposal:

2. That the principle of special and differential treatment for developing country Members remain an integral part of the agriculture negotiations. The resulting framework for liberalisation must continue to support the economic development needs of these WTO Members, including flexibility to implement their commitments, technical assistance and improved export opportunities for products of particular interest to developing countries.

3. Background:

3. Completing the task of liberalising agricultural trade will bring important benefits in terms of economic growth, improved welfare, food security and sustainable development. More farmers, including poorer farmers in developing countries, will be able to respond to market forces and new income-generating opportunities without the burden of competition from heavily subsidised products.

4. The majority of WTO Members are developing countries, including least developed countries and small states: the majority of trade-distorting domestic support and export subsidies is provided by developed country Members. Tariff peaks and tariff escalation, including in products of particular interest to developing countries, are also common in developed countries.

5. The principle of special and differential treatment for developing countries is embodied in the Agreement on Agriculture, including Article 20, and must be taken account of in the attainment of the long-term objective of substantial progressive reductions in support and protection resulting in fundamental reform.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Export Subsidies

Communication from Australia

The following communication, dated 9 April 1999, has been received from the Permanent Mission of Australia.

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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.
 2. **Proposal:**
 2. That, as part of the agriculture negotiations, Members agree to the immediate elimination and prohibition of all forms of export subsidies.
 3. **Background:**
 3. Export subsidies cause severe distortions and disruptions in international agriculture trade. In contrast, industrial goods are not permitted to be exported with the assistance of export subsidies.
 4. The Uruguay Round placed limits on the export volume and budgetary expenditure on export subsidies in the agriculture sector. However, only 25 of the 134 current Members have export subsidy reduction commitments – and only 14 Members are using export subsidies. Developed countries account for 90% of export subsidy commitments.
 5. Eliminating entirely the use of all forms of export subsidies is required in order to meet the objectives of establishing a fair and market-oriented agriculture trading system by correcting and preventing distortions in world agriculture markets. Agricultural export credits must be brought under effective international discipline with a view to ending government subsidization of such credits. In addition, a clear approach is needed to prevent circumvention of export subsidy commitments. These outcomes are consistent with the objective of putting trade in agricultural goods on the same basis as trade in other goods.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Domestic Support

Communication from Australia

The following communication, dated 30 April 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.

2. Proposal

2. That, as part of the agriculture negotiations, Members agree to major reductions in domestic support for all agricultural products, resulting in the elimination of all trade distorting domestic subsidies with only non-distorting forms of support permitted thereafter.

3. Background

3. Levels of support to agriculture in OECD countries remain at very high levels, with US\$280 billion in total transfers to agriculture in 1997 in these countries. Many of the support measures being used, especially by developed countries, fall into the AMS or bluebox categories and are trade and production distorting. Such domestic support policies have negative effects on trade and agricultural policies. The high levels of support encourage overproduction and are the root cause of problems that emerge on world markets.

4. The Uruguay Round placed limits on the level of AMS support which can be provided and these levels are being reduced by 20 per cent. Only 28 Members have AMS support subject to reduction. Developed country Members account for around 90 per cent of that support. So-called "bluebox" subsidy measures, which have only been used by five WTO Members, remain uncapped. The elimination of all such trade distorting domestic support for all agricultural products 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. It is consistent with the objective of putting trade in agricultural goods on the same basis as trade in other goods.

5. Members will still be permitted to provide non-trade distorting support to their agricultural producers to pursue objectives including improvements in infrastructure, research and training, income support, disaster relief, investment and the environment.

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.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Objective and Overall Framework for the Agriculture Negotiations

Communication from the United States

The following communication, dated 20 May 1999, has been received from the Permanent Mission of the United States.

Proposal

1. That the objective for the agricultural negotiations be to expand trade opportunities by ensuring further deep reductions in support and protection, while encouraging non-trade distorting approaches for supporting farmers and the rural sector and strengthening the rules governing trade in agriculture.
- In pursuing this objective, the existing framework in the WTO Agreement on Agriculture, with binding commitments in market access, export competition and domestic support, provides the basis on which to pursue further reform. This framework should be supplemented by additional disciplines, as needed, to address new challenges facing the agricultural sector.
- To realize this objective, WTO Members will be encouraged to present specific proposals to implement the mandate set forth in this Decision, beginning in January 2000, and each WTO Member will table a comprehensive offer following agreed parameters no later than x date.

Background

2. Article 20 of the Agreement calls for Members to continue the reform process in agriculture by continuing substantial progressive reductions in support and protection through further broad-based negotiations. The results of these negotiations should address the full range of trade-distorting measures, and should contribute to the long-run objective of a fair and market-oriented agricultural trading system.
3. The basic structure of the Uruguay Round disciplines on agriculture is a sound basis for conducting the negotiations on agriculture. Within the overall framework, additional modalities should be established in the three principal areas - export competition, market access and domestic support. Initial views of the United States on issues to be addressed in each area are found in WT/GC/W/115 and WT/GC/W/107. Additional measures that unjustifiably distort international trade

in agriculture also must be addressed and subjected to rules and disciplines, including possibly outside of the Agriculture Agreement.

4. An important element of the work programme for the negotiations will be to specify a time frame for tabling detailed proposals for specific disciplines in each area under negotiations and the date for tabling country-specific offers on agriculture.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Market Access – Tariff Quota Administration

Communication from Australia

The following communication, dated 4 June 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 ensure that the administration of tariff quotas does not diminish the size and value of market access opportunities.

Background

3. Tariff quotas in the agriculture sector were a part of the tariffication process of the Uruguay Round and the result was the establishment of some 1,370 tariff quotas. Notifications to the Committee on Agriculture show that Members have adopted a variety of methods for administering these, depending on a number of factors, including the product, the market, the size of the tariff quota, seasonal flows, the number of supplying countries and general methods of distribution within importing countries.

4. In various WTO fora, concerns have been raised about the way members are choosing to implement some tariff quotas. In particular, it appears that the tariff quotas are being administered in such a way as to provide a level of protection greater than the impact of the tariff quota itself. Overall, tariff quota fill rates are less than two-thirds.

5. While tariff quotas remain, the lack of specific rules on tariff quota administration in the Agreement on Agriculture and other WTO Agreements, and the problems which have been identified by Members, mean it would be appropriate to negotiate with the aim of minimizing impediments to effective access to markets.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Market Access – Tariff Quotas

Communication from Australia

The following communication, dated 4 June 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 *inter alia* through substantial increases in trade volumes under tariff quotas. The objective is to ensure that tariffs are the only form of protection and that access opportunities for agricultural products are on the same conditions as those applying to other goods and are commercially viable.

Background

3. Tariff quotas were part of the Uruguay Round's tariffication methodology and designed to encourage trade in agricultural products which had been the subject of non-tariff border measures.

4. In many markets, tariff quotas provide the only commercially viable trade as over-quota tariffs are prohibitive. There are significant inequities in the size of market access opportunities provided through tariff quotas. Of the 1,370 tariff quotas in Members' Schedules, around two-thirds are in the Schedules of developed country Members.

5. Negotiations aimed at a major expansion of all tariff quotas are one part of the market access negotiations which will be necessary to achieve substantial cuts to protection levels. This 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.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Market Access – Tariffs

Communication from Australia

The following communication, dated 4 June 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 *inter alia* through deep cuts to all tariffs, including curtailing tariff peaks and eliminating tariff escalation.

Background

3. Tariffs applied to agricultural products are higher on average than tariffs applied to other goods. Tariffs of 300 per cent or more are not uncommon in the agricultural sector. The tariff peaks severely distort trade and, in many cases, prohibit commercial trade from taking place entirely.

4. In addition, tariff escalation remains a serious impediment and the problem often concerns products of particular interest to developing countries. Compound and other complex tariffs further reduce the predictability of trade.

5. Negotiations on all agricultural tariffs, including those applying within tariff quotas, are necessary to meet the objectives of establishing a fair and market-oriented agriculture trading system and of correcting and preventing distortions in world agriculture markets. It is also required to bring trade in agricultural products onto the same basis as trade in other goods.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Domestic Support – Concerns of Transition and Post-Transition Economies

*Communication from the Bulgaria, Czech Republic, Hungary, Latvia,
the Slovak Republic and Slovenia*

The following communication, dated 25 June 1999, has been received from the Permanent Mission of Hungary.

Background

1. The Agreement on Agriculture exempts certain types of domestic support from reduction commitments which "have no, or at least minimal, trade-distorting effects or effects on production" (green box) or which are limiting such effects (blue box). Apart from these measure-specific exemptions the Agreement also recognizes that in specific circumstances some types of domestic support may deserve special treatment if they provide an indispensable contribution to the economic development of a certain group of countries. It is in this context that Article 6:2 provides country-specific exemptions from domestic support reduction commitments that would otherwise be applicable for investment subsidies generally available to agriculture, agricultural input subsidies generally available to low-income or resource-poor producers and domestic support to encourage diversification from growing illicit narcotic crops in developing countries.

2. The Agreement does not however contain any provision which would adequately address the specific needs of the agricultural sector of Members which are in the process of transformation to a fully-fledged market system or consolidating the results of such a deep-going economic process. The only - narrowly worded - provision in the present agreement which tries to accommodate such concerns is paragraph 11 of Annex 2 by virtue of which structural adjustment assistance through investment aids also as part of the reprivatization of agricultural land qualifies as a green box measure.

3. Although at first glance a relatively wide range of blue and green box measures seem to be available also for transition and post-transition economies, in reality the specific circumstances accompanying the process of economic transformation render them often useless:

- on the one hand due to the serious decline or in certain cases the collapse of agricultural production introducing production-limiting programmes (blue box) or encouraging producer or resource retirement (green box) is clearly not an option since it would just lead to the further aggravation of the difficult situation experienced in many agricultural production areas;
- on the other hand the use of some of the green box measures such as decoupled income support, income insurance and income safety-net programmes presuppose

reasonable and comparable base periods and adequate administrative or private mechanisms in place which is not the case in most of these countries.

Proposal

4. Adequate ways and means should be identified and agreed upon that would enable transition or post-transition economies to introduce or continue to use support measures which are necessary for the economic transformation of their agriculture. Such mechanisms would serve the objective of assisting these countries in their efforts to establish and consolidate a market-oriented domestic agricultural sector by partly alleviating the extreme burdens associated with such a process and of allowing them to benefit from their comparative advantages.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Communication from Japan

The following communication, dated 25 June 1999, has been received from the Permanent Mission of Japan.

1. Proposal

A. Objectives

1. The objectives for the next agricultural negotiations are to establish a set of rules and disciplines that are genuinely fair and equitable for both food importing and exporting countries, as well as for developed and developing countries, and which allow a coexistence of the various types of agriculture among Members.

2. The following should be ensured in such rules and disciplines:

- (a) that due consideration be given to the importance of the multifunctionality of agriculture, as well as allowing for a smooth implementation of the domestic agricultural policies and to the differences in natural conditions by taking into consideration the historical background of agriculture of each Member;
- (b) regarding food security, which can be considered as one aspect of multifunctionality, that due consideration be given to the fact that domestic agricultural production is a basis for food security, by taking into account the instability of food supply/demand in the international market and the problems of starvation/malnutrition in developing countries;
- (c) to redress the imbalance in rights and obligations under the WTO rules between exporting and importing countries.

B. Main points to be addressed

3. In pursuing these objectives, WTO Members should agree to:

- (a) strengthen the existing rules and disciplines on export prohibition/restriction measures, export tax, export subsidies and export state trading enterprises, with a

view to redressing the imbalance of rights and obligations between exporting and importing countries; and

- (b) review the existing rules and disciplines of the Agreement on Agriculture while maintaining its basic framework. Such a review should take account of the experiences obtained during the implementation of the said Agreement, and facilitate a reform process for market-oriented approaches in agricultural policies undertaken by Members.

4. Special consideration should be given to developing-country Members in accordance with their situations and needs, in order to, among others, facilitate a smooth implementation of their obligations under the WTO rules and to achieve food security.

5. WTO Members should actively address such new issues as the treatment of genetically-modified organisms (GMOs).

C. Forums for negotiations

6. An independent group for agricultural negotiations should be set up in the next WTO trade negotiations in light of the particular characteristics of agriculture, which requires WTO Members to consider a wide range of issues, such as domestic support, border measures and export rules, in a comprehensive manner. Negotiations on those issues should be pursued comprehensively and effectively in such a group.

7. An appropriate forum should be established to address new issues, including GMOs, from a broad perspective. Work in such a forum should include an analysis of the current situation, identification of the questions to be dealt with, as well as the relationship between such questions and the existing WTO rules and disciplines.

2. **Background**

8. WTO Member countries have made utmost efforts to implement the Agreement on Agriculture since the agreements came into effect in January 1995. However, the Uruguay Round Agreement is not sufficient in terms of fair and equitable trade rules for both food importing and exporting countries, as well as for developed and developing countries.

9. From this viewpoint, as well as that of facilitating the domestic agricultural reform undertaken by each Member country, the next agricultural negotiations should be conducted to especially ensure the three following points: (i) the importance of the multifunctionality of agriculture; (ii) consideration of food security, which can also be regarded as one aspect of multifunctionality; and (iii) redressing the imbalance of rights and obligations between exporting and importing countries.

10. Given the different natural conditions and the historical and cultural background of each Member, to accomplish the above-mentioned objectives, and thereby establish genuinely fair and equitable trade rules, will achieve the development of an agricultural production, unique to each Member, based on the different natural conditions, and historical and cultural background which will allow the coexistence of the various types of agriculture in the future.

A. Multifunctionality of agriculture

11. Agriculture not only produces/supplies agricultural products, but also contributes to food security, by reducing the risks caused by unexpected events or a possible food shortage in the future,

to the preservation of land and environment, to the creation of a good landscape and to the maintenance of the local community, through production activities in harmony with the natural environment. All of these roles are known as the "multifunctionality" of agriculture.

12. The multifunctionality of agriculture has the following characteristics:
- (a) most aspects of multifunctionality are regarded as economic externalities and it is difficult to reflect their values properly in market prices. Though it is closely related to production, it cannot be subject to trade;
 - (b) market mechanism alone cannot lead to the realization of an agricultural production method that will embody the multifunctionality of agriculture.

13. Therefore, certain types of policy intervention are indispensable to place domestic agricultural production as a basis for food supply and to fulfill the multifunctional roles of agriculture. For this purpose, it is necessary to thoroughly examine, based on the past experiences of implementing the agreement on agriculture, how to portray the policy intervention for the fulfilment of the multifunctionality of agriculture in the international framework and as to what extent such intervention can be allowed.

14. Among a wide range of the aspects of the multifunctionality of agriculture, those meeting the following conditions can be examined in terms of their relationship with agricultural trade:

- (a) where functions are closely related to, and cannot be separated from, agricultural production;
- (b) where functions play an important role in relation to the agricultural production activities that have generally been observed;
- (c) where the value of their function is commonly recognized by the people of a concerned country.

B. Food security

15. Food is a fundamental and most important product, and is indispensable for the maintenance of life and health. The State is responsible for the people in ensuring a stable food supply. In particular, in net food-importing countries, having a stable food supply is an important policy objective as it is a main concern of consumers.

16. Global food supply tends to be unstable due to the special feature of agricultural trade, including the concentration of food export to some specific countries or regions, and also due to its vulnerability to unusual climates. It is expected that the world food supply and demand may become unstable in the short term due to unusual climatic phenomena, such as El Nino, and may be tightened in the medium to long term due to a possible increase in the grain demand accompanied by a drastic rise in the population and the economic growth in developing countries.

17. Developing countries, suffering from starvation and malnutrition, have put their first priority on solving the food security issue. It is essential, therefore, not only to ensure the necessary food through food aid as a short-term measure, but also to provide assistance aimed at enhancing a sustainable food productivity in the long term. It is especially important to examine specific measures in order to deal properly with the issues related to those net food-importing developing countries.

18. Policy measures for food security include not only domestic agricultural production, but also stockpiling and imports. Excessive dependence on imports, however, has the following problems:

- (a) the world food supply may become unstable in the short term and may become tighter in the medium to long term;
- (b) agricultural trade has such unstable features as relatively lower portions of output are currently being exported and the major agricultural products are only being exported by some specific countries; and
- (c) large purchases by an economically-dominant country at a time of food shortage may have a negative impact on the international market.

Stockpiling is useful for meeting urgent demands, but problems can arise whereby it is inevitably only a short-term measure due to the loss in quality and the cost of stockpiled food.

19. It is, therefore, indispensable to provide domestic agricultural production with the primary role of ensuring food supply by increasing such production. It is also necessary to fully examine how policy intervention should be placed within the international framework and as to what extent it is allowed, based on the experiences of implementing the past agricultural agreements.

20. Such an examination should not be made in a uniform manner for major products. Rather, the characteristics of production, trade and consumption of individual products should be considered. Furthermore, not only the quantity, but also the quality, including safety and stable prices of food supply, is important.

21. As mentioned above, domestic production to ensure food security has not only the function of producing agricultural products, but also that of a safety net against risk. Food security may not be achieved if agricultural production as a whole is to be placed completely under the market mechanism. Food security, therefore, can be regarded as one aspect of the multifunctionality of agriculture in light of the fact that governments have an important responsibility to assure domestic agricultural production.

C. Strengthening export rules

22. Regarding the trade of primary products, such as agricultural, forestry and fishery products, international demands are inelastic and the products are exported only by some specific countries, although imported by a large number of countries. Actions, therefore, taken by exporting countries may have a severe impact on international prices.

23. In the Uruguay Round Agreement, it was decided that all border measures regarding imports other than tariffs, including import quantitative restrictions and changeable surcharges, were to be replaced by tariffs in principle. However, the rules and disciplines on exports, including export prohibition/restriction, export tax and export subsidies, remain lax.

24. Export state trading, on which more lenient rules are applied, may circumvent the reduction commitment of export subsidies by using a dual pricing system and differential pricing for each export destination.

25. Not only from a viewpoint of the balance of rights and obligations between exporting and importing countries, but also from that of food security in importing countries, the above situation should be corrected. An appropriate examination is required to strengthen rules and disciplines on the export side.

D. Domestic support

26. The multifunctionality of agriculture, with its aspect of public goods, is closely related to agricultural production. Thus, policy intervention (domestic support) in this aspect cannot be completely dissociated from production as a certain level of intervention is required for the fulfilment of the multifunctionality of agriculture, including food security.

27. Classification of domestic support into the groups of “Green”, “Blue” and “Amber” (the Amber group being subject to commitments on the total AMS) in the present framework has some rationale. Since it is impossible to drastically review this classification and to fully eliminate the trade distortion effect of the “Green Box”, it is appropriate to maintain the present framework and to review the requirements and scope for “green” policies based on the experiences achieved in implementing the past agreements, with a view to facilitating a smooth conversion towards a market-oriented policy.

28. In pursuing a market-oriented policy, the existence of the “Blue” policy can not be denied as it is the midpoint for transforming an “Amber” policy to a “Green” policy. The effects of the “Blue” policy are less distorting on trade and less stimulating of production than those of the “Amber” policy. Thus the “Blue” policy should be maintained and positively evaluated.

29. Furthermore, in dealing with the “Amber” policy, it is necessary to assure flexibility in its implementation by each Member, taking into account the progress of conversion towards a market-oriented policy, based on the present framework, including that of the total AMS.

E. Market access

30. Tariffs are the only legitimate border measures to adjust differences in natural or economic conditions regarding agricultural trade under the WTO system. From this viewpoint, non-tariff measures, including quantitative restrictions, were, in principle, replaced by tariffs in the Uruguay Round negotiations on agricultural trade. In this respect, regarding border measures, it is not appropriate to examine only tariffs of importing countries. Rather, a balanced approach is required considering such elements as the multifunctionality of agriculture and the actual production conditions.

31. In net importing countries of agricultural products, increasing domestic agricultural production should be regarded as a basis for food supply in order to ensure food security. For this purpose, appropriate border measures should be taken together with domestic support. Given the existing trade rules, which allow an exporting country to take export restrictions or prohibitions, importing countries have legitimate rights to take appropriate border measures for food security in their own country.

32. The present levels of tariffs are decided based on the domestic geographical and natural conditions, as well as on the situations regarding the respective products resulting from a series of trade negotiations. The out-of-quota tariff rates in the Uruguay Round Agreement were set up based on the difference between internal and external prices. It is necessary to examine tariff rates, taking into full consideration the above backgrounds, the necessity of maintaining a certain level of domestic agricultural production and the multifunctionality of agriculture.

33. The level of market access must be appropriate based upon various factors, including the experiences of implementing the Uruguay Round Agreement and the situation of supply and demand in importing countries.

34. As for the border measures for processed food, careful attention should be paid to a sound development of the food industry, which plays a vital role in providing a stable supply of food of high quality.

35. As mentioned above, border measures for agricultural products and processed food should be examined in a detailed manner, as well as on a product-by-product basis taking into account the circumstances of each product. It is not appropriate to treat them uniformly, thereby ignoring the specific character of each product.

36. Furthermore, with regard to safeguards, it is necessary to examine a system and its operation which will allow Members to respond promptly and effectively to situations, such as a drastic increase in imports, taking into account the specific features of agriculture.

F. Measures for developing countries

37. Under the present circumstances, where most of the WTO Members are developing countries, it is important to enable such countries to facilitate fulfilment of their obligations under the Agreement and to actively participate in the WTO system as a whole. For this purpose, special consideration is necessary towards capacity building in order to enable an effective implementation of the Agreement in response to the situations and needs of these countries.

38. Developing countries, suffering from starvation and malnutrition, have put their first priority on solving the food security issue. It is essential, therefore, to not only ensure the necessary food to such countries through food assistance as a short-term measure, but also to provide assistance aimed at enhancing a sustainable food productivity in the long term. It is especially important to fully examine specific measures in order to address the issues regarding net food-importing developing countries.

G. Response to new challenges

39. In recent years, consumers have increasingly been concerned about issues, such as food safety, recycling and organic agricultural products. As most of these did not attract public attention at the time of the Uruguay Round agricultural negotiations, we should, in the next negotiations, address such challenges properly.

40. For example, as a result of technology development on genetically-modified organisms (GMOs), production of GMOs and the food using such technology has substantially increased. Consequently, a number of issues have emerged concerning production, exports/imports, labelling and the protection of intellectual rights for GMOs.

41. It is often difficult to deal with these new challenges under the existing WTO framework, since they are related to several WTO Agreements at the same time.

42. It is necessary, therefore, to address these new challenges from a broader perspective.

H. Forum for the next negotiations

43. It is necessary to establish an independent group for agricultural negotiations on domestic support, border measures and export rules in order to negotiate these issues comprehensively and efficiently, as agriculture has a unique character where a wide range of issues can be addressed in a global manner.

44. It is also essential to establish an appropriate forum in order to address new issues, such as GMOs, where discussions from various points of view should be held on such aspects as an analysis of the current situation through the examination of issues to be addressed and their relationship with the existing WTO rules and disciplines.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Export Restrictions and Taxes

Communication from Australia

The following communication, dated 6 July 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, with a view to providing both greater access to world markets for food and agricultural products and increased certainty of supply for food importing countries, in particular least-developed and net food importing developing-country Members, the agriculture negotiations develop disciplines on export restrictions and taxes. Such disciplines would be an integral part of delivering further substantial liberalization of trade in agriculture, including the elimination of tariff escalation.

Background

3. Food security is of concern to many Members, but especially least-developed and net food importing developing-country Members. The impact that export restrictions on foodstuffs can have on food security is recognized in Article 12 of the Agreement on Agriculture. When such restrictions or taxes are used to limit exports of agricultural products, they can and do raise concerns about whether the international market place can be relied upon to meet essential food requirements. Tighter disciplines on export restrictions and taxes would contribute to assuring Members about their ability to access food in world markets.

4. Tariff escalation in export markets hinders the capacity of exporting countries to develop processing industries. In particular it prevents developing countries from adding value to their exports. As a response to tariff escalation in export markets, some developing countries have taken recourse to restricting or taxing their raw material exports. To avoid such perverse effects further substantial agricultural liberalization, including the elimination of tariff escalation, will be an important contribution to developing more effective disciplines on export restrictions and taxes.

5. Overall, an effective multilateral trading system contributes to food security through improved resource allocation, increased numbers of potential suppliers, higher income levels and improved stability of price and supply. An important part of ensuring an effective trading system is appropriate disciplines on export restrictions and taxes. Negotiations to this end would be consistent with the objective of creating a fair and market-oriented agriculture trading system and would promote economic development in developing-country WTO Members.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Agriculture

Communication from Norway

The following communication, dated 6 July 1999, has been received from the Permanent Mission of Norway.

Proposal

1. Based on Article 20 and its provisions regarding the continuation of the reform process, negotiations should aim at refining and elaborating the rules and disciplines of the Agreement on Agriculture in order to promote the objective of a fair and market oriented agricultural trading system, taking into account the need for sufficient and adequate food supplies, the interests of the developing countries, and least developed in particular, and the need to meet important emerging challenges, such as safeguarding and promoting the non-trade concerns of a multifunctional agriculture.
2. The negotiations should be finished in a relatively short period of time. All aspects of the agricultural negotiations should take place in a specific agricultural negotiations committee.

Background

3. The 1994 Uruguay Round Agreement on Agriculture represented a milestone in the evolution of the multilateral trading system. It brought agricultural trade policies and associated domestic policies within the scope of a comprehensive framework of multilateral trade disciplines, and constituted an important element in the process of agricultural policy reform.
4. Since the implementation began in 1995 substantial progress has been made in reforming agricultural policy and market-orienting the agricultural sector. Domestic and international policy reform efforts have resulted in a more predictable and stable trade and policy environment with specific disciplines in the areas of market access, domestic support and export competition and have contributed to reduced trade distortions, to gains in economic efficiency and to a closer relationship between developments in domestic and world markets.
5. It was recognized that policy reform needed to be an on-going process and all WTO Members are committed to initiating negotiations for continuing the agricultural reform process on the basis of Article 20 of the Agreement on Agriculture. The initial negotiating phase should be devoted to extensive analyses and deliberations in order to specify the contents of the negotiations.

6. In the continuation of the reform process, and as reflected in the Preamble of the Agreement, the interests of developing countries, in particular the least-developed and net-food importing, should be properly addressed. Many developing countries have not yet been able to take advantage of the opportunities that the Uruguay Round has offered.

7. Therefore, special and differential treatment as well as technical and financial assistance to the poorest developing countries are required in order to enable developing countries to mitigate possible negative effects resulting from the reform process and to take advantage of opportunities that are offered by more open markets.

8. Furthermore, increased attention is being paid to the societal role of agriculture, and the multifunctional character of agriculture, as reflected, *inter alia*, by the focus on non-trade concerns, is emerging as an important element in future policy design. Beyond its primary function of producing food and fibre and ensuring food security, agriculture contributes to the viability of rural areas, the maintenance of agricultural landscapes and the cultural heritage, the preservation of agri-biological diversity and the maintenance of a good plant, animal and public health. These various non-food dimensions as well as the safeguarding of food security, have public goods characteristics, which may justify government intervention. The limitations of market approaches to ensure food security and the lack of functioning markets in case of important non-food agricultural functions are basic characteristics of the agricultural sector that imply that agriculture, also in the future, will have to be treated separately within the multilateral trading system.

9. Bearing in mind that the Preamble of the Agreement also emphasizes the need to take into account the equitable sharing of commitments among all Members under the reform programme, it is clear that a delicate balance must be struck between the interests of net-food importing and exporting countries. This symmetry of interests should form an overall framework for the reform process in general and for the upcoming negotiations in particular.

10. The references in Article 20 to the need to take into account the experience and effects of the reduction commitments during the implementation period, demonstrate its dynamic character. The policy reform requires further efforts, including meeting new challenges that are emerging. The major challenge is to meet the growing demand for sufficient and adequate supplies of food in efficient and sustainable ways. At the same time, the multifunctional character of agriculture should be safeguarded and promoted beyond its primary function of supplying food and fibre. These concerns need to be fully reflected in the continuation of the reform process.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Communication from Switzerland

The following communication, dated 20 July 1999, has been received from the Permanent Mission of Switzerland.

Proposal

1. Negotiations shall aim, based on Article 20 of the WTO Agreement on Agriculture, to continue the process of reform of trade in agriculture through further reductions of export subsidies and domestic support, as well as further market access commitments, with the long-term objective to establish a fair and market-oriented agricultural trading system, fully recognizing the multifunctional character of agriculture.

Background

2. As far as the future negotiations on agriculture are concerned, Article 20 of the Agreement on Agriculture sets the course to be followed. Switzerland is ready to continue the process of reform in accordance with the terms of that Article and the negotiating mandate proposed above is mainly based on its contents, as well as on the other objectives and concerns mentioned in the preamble to the Agreement on Agriculture.

3. Switzerland would like to place special emphasis on two aspects. Firstly, Article 20 clearly states that the continuation of the reform process should be progressive. It is within this context that Switzerland is prepared to consider strengthening its commitments in the areas of export subsidies, market access and domestic support, respectively.

4. Secondly, the multifunctional character of agriculture is now widely recognized and should form a fundamental part of the negotiations. Moreover, Article 20 provides for non-trade concerns to be taken fully into account in the future negotiations. A growing number of Members – industrial and developing – are applying such multifunctional agricultural policies. The importance and weight attached to a given non-trade concern may vary between countries, depending on their particular situation and the level of public awareness. Accordingly, solutions should be found which enable all these concerns to be taken into account, in particular by extending the measures allowed under Annex 2 to the Agreement on Agriculture ("Green Box").

5. As far as Switzerland is concerned, food security, meeting the needs of a scattered rural population, protection of the environment and landscape conservation are important tasks assigned to agricultural policy. The question of supply is being formulated not just in quantitative but also in qualitative terms; the consumers want not only to have high-quality products but also to be fully informed about the nature of the products they are being offered. These are concerns which should also be properly taken into account.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

EC Approach on Agriculture

Communication from the European Communities

The following communication, dated 23 July 1999, has been received from the Permanent Delegation of the European Commission.

1. The purpose of this paper is to set out key concerns for the European Community in the forthcoming negotiations.
2. The European Community looks forward to the forthcoming global trade negotiations and, as part of them, to agricultural negotiations based upon the mandate provided by Article 20 of the Agriculture Agreement. This conditions the long-term objective of substantial, progressive reductions in support and protection, resulting in fundamental reform, by other concerns, notably the experience and effects of implementing reduction commitments agreed in 1994, special and differential treatment of developing countries, the objective to establish a fair and market-oriented agricultural trading system, and non-trade concerns.
3. Issues of major concern to Agriculture may also arise under other headings, for example the SPS, the TBT and TRIPS.
4. It is clear that, as regards the Agriculture Agreement itself, there will be four main areas of negotiation:
 - (a) The question of whether any of the specific instruments provided in the Agreement itself need to be adapted.
 - (b) Progress on the key trade issues, access, assistance to exports, and commitments to reduce support.
 - (c) Non-trade concerns, notably the multifunctional role of agriculture, food safety and quality, policies to protect the environment, and animal welfare.
 - (d) Special and differential treatment for developing countries.
5. As regards (a), and particularly having in mind the need for a rapid negotiation, the Community is not of the view that a major review of the specific instruments provided in the Agriculture Agreement is necessary or desirable. In particular:

- Whilst it does not rule out some updating of the blue and green boxes, it believes that in concept they remain essential elements in the policy of reducing support and providing indispensable assistance to WTO Members to help them to move away from price support towards more transparent and non distorting policies.
- The need, recognized by the peace clause, to provide legal security for the outcome of the negotiation will exist at the end of the forthcoming negotiation, just as it did in the Uruguay Round agricultural negotiation.
- The Special Safeguard Clause represented a key constituent of agricultural liberalization agreed in the last Round. It has enabled abnormally low price offers or import surges to be dealt with without frequent recourse to more disruptive action under the General Safeguard Clause. A similar provision for the future should therefore be in the general interest of all Members.

6. As regards (b), the Union's policy will be founded on the full Agenda 2000 package decided by Community Heads of State and Government.

- Improvement in access. The Community is a major food exporter and intends to share in the expansion of world trade in agricultural products. The Community will seek to obtain improvements in opportunities for its exporters, inter alia through greater clarity in the rules for the management of TRQs, including imports through single desk buyers, and the removal of other unjustified non-tariff barriers. At the same time, as Article 20 of the Agreement on Agriculture itself recognizes, the process of reducing trade barriers in agriculture, which is more advanced in some sectors than in others, is to be seen as an ongoing process resulting in fundamental reform, and not something which can be completed in the next round.
- Reductions in support for exports. The Community is willing to continue to negotiate this process provided that all such support is treated on a common footing. This means that the commitment to introduce disciplines on agricultural export credits which formed part of the Uruguay Round Agreement must be respected. Other less transparent forms of export support, notably through the operation of single desk exporters and the provision of food aid on concessional credit terms, will also need to be satisfactorily addressed.
- Reductions in support. The Community will be prepared to negotiate this on the terms set out above, in particular the continuation, in an appropriate form, of the Blue and Green Boxes.

7. As regards (c), key issues will be:

- The multifunctional role of agriculture. In the Union's view it is essential to ensure that progress on trade issues does not damage the ability of those employed in agriculture supply public goods, in particular as regards the environment, (including combating desertification) and the sustained vitality of rural areas. Direct aid measures with no or minimal trade impact have an important role to play in this context.
- Food safety and quality. The issues arising here link Agriculture to the discussion of SPS and TBT. Recent WTO case law has confirmed that non discriminatory science-based measures to achieve the level of safety determined by Members are in conformity with that agreement. It might be useful to confirm this in a more general

manner in order to assure consumers that the WTO will not be used to force onto the market products about whose safety there are legitimate concerns. As regards food quality, in any review of the TRIPS, the provision of improved protection for products whose reputation for quality is linked to their geographical origin will be a major concern.

- Animal welfare. There is increasing public concern about the conditions in which animals are kept and reared which has led many WTO Members to adapt ever more detailed provisions to meet this legitimate moral requirement. It is, therefore, becoming increasingly important to address this issue on a multilateral basis. Consensus should be sought on the accommodation within WTO rules of any trade measures taken pursuant to any multilateral agreement which might be reached regarding welfare standards.

8. Special and differential treatment for developing countries. This is, of course, an issue which is much broader than agriculture. Nevertheless, given the very high importance of food and agriculture in the economies of developing countries, it is an issue which will be of considerable importance in the agriculture negotiation. As regards access to its own market, the Community already plays a major role through the GSP and through the Lomé preferences. It is prepared to go further as explained in WT/GC/W/195 of 2 June 1999: "EC approach to duty-free market access for the least-developed countries".

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Market Access

Communication from the Czech Republic, Hungary, and the Slovak Republic

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

Proposal

1. Ministers agree that, in establishing the modalities for further tariff reductions and other related commitments, Members commit themselves to addressing the existing differences in the levels of effective market opening within the framework of the future agricultural negotiations with a view to narrowing these differences and ensuring a balance of benefits for all Members.

Background

2. The Uruguay Round was a turning-point in the history of the agriculture trade talks. For the first time, all non-tariff measures in agriculture were converted into ordinary customs duties that were consolidated through the binding and subjected to substantial tariff cuts following the agreed modalities.

3. As a result, access to national markets has improved and trade opportunities have expanded worldwide. However, considerable differences persist in the level of effective market access opening as committed by various Members in the Uruguay Round. These differences include, but are not limited to, border protection levels, discrepancies between applied and bound rates, trade-weighted and single average tariffs, tariff peaks, high seasonal tariffs, application of tariff quotas and scope of special safeguard.

4. To produce an overall balance of benefits in attaining the long-term objective of substantial progressive reductions in protection under the continuing reform process in agriculture, the existing differences have to be dealt with and narrowed in the course of negotiations on modalities establishing specific tariff reductions and other market-access commitments.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Objectives for the Agriculture Negotiations: Export Competition

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 WTO negotiations on export competition in agriculture be:
 - to completely eliminate, and prohibit in the future, all remaining export subsidies as defined in the Agreement on Agriculture;
 - to clarify rules on other measures that can act to circumvent export subsidy disciplines and to create new disciplines for other practices that distort export competition, such as:
 - improving transparency in the operations of exporting state trading enterprises (STEs) and stronger disciplines on the monopoly activities of STEs, including pricing policies that support cross-subsidization and price undercutting in export markets; and
 - terminating the use of export taxes applied in a sporadic and distortive manner on specific agricultural products.
2. As noted in WT/GC/W/186, on the Objective and Overall Framework for the Agriculture Negotiations, WTO Members should agree to present proposals on specific modalities for the negotiations on export competition beginning in January 2000 and agree that each Member will table a comprehensive schedule for export competition following agreed parameters no later than y date.

Background

3. Agricultural export subsidies have significant and adverse effects on competitive trade in agricultural products and the environment. They are also the permitted measure at greatest variance with general WTO principles. To date, the majority of WTO Members have met their annual export

subsidy reduction commitments in terms of value and quantity, although disciplines on subsidies have encouraged some countries to devise schemes that circumvent their commitments.

4. Circumvention of export subsidy commitments threatens to undermine the disciplines on export subsidies. The export activities of state trading enterprises (STEs) are subject to Article 9 and 10 provisions on export subsidies, but their activities are difficult to monitor and they engage in practices that support non-commercial objectives. STEs frequently hold monopoly control over exports and, in some cases, monopsony control over domestic procurement, potentially leading to advantages for the STEs that are not available to private traders.

5. While some countries may use export taxes legitimately to generate government revenue, export taxes should not be used to restrict the availability of agricultural products on world markets, particularly in times of short supply. A prohibition on the use of export taxes for domestic supply management considerations would address the food security concerns of countries and contribute to a reduction in commodity price volatility.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Objectives for the Agriculture Negotiations: Market Access

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 objective for the WTO negotiations on agricultural market access be to maximize improvements in market access opportunities and to make more uniform the structure of tariff bindings for all WTO Members. WTO Members agree that a variety of approaches will be necessary to ensure that this objective is met and agree that modalities will need to be developed to achieve:

- lower tariff rates and bind them, including, but not limited to zero/zero initiatives for agriculture;
- expanded market access opportunities for products subject to tariff rate quotas (TRQs);
- reductions in the disparity between applied and bound tariff rates;
- simplification of complex tariff regimes;
- greater certainty and transparency in the operation of tariff regimes;
- disciplines governing administration of TRQs and transparency and competition for import STEs; and
- improved market access through a variety of means to the benefit of least-developed Members by all other WTO Members.

2. As noted in WT/GC/W/186, on the Objective and Overall Framework for the Agriculture Negotiations, WTO Members should agree to present proposals on specific modalities for the agricultural market access negotiations beginning in January 2000 and agree that each WTO Member will table a comprehensive offer following agreed parameters no later than y date. WTO Members

will task the WTO Secretariat through the Committee on Market Access and Committee on Agriculture to develop, no later than *x* date, data profiles and analyses to assist Members in the negotiations.

Background

3. Tariffs remain excessive on too many agricultural products in too many countries. This threatens to effectively exempt agriculture from WTO disciplines despite progress made in the Uruguay Round. In some instances tariffs are applied at levels below the bound rates and may operate under tariff regimes that appear complex, non-transparent and discriminatory. The upcoming negotiations should improve and expand market access opportunities by lowering bound tariff rates to eliminate the disparities between applied and bound rates. Negotiations should ensure that the market access results provide greater certainty and transparency in the operation of tariff regimes.

4. Administration of TRQs has proven to be challenging for importing countries and troublesome for exporting countries. Existing rules do not always provide adequate guidance or discipline for TRQ administration. Monopoly import authorities have the ability to restrict or otherwise distort trade in several ways. This authority, and other purchasing and marketing practices, may act to raise domestic prices and impair market access opportunities for other Members.

5. The United States supports further market access negotiations in the WTO that will complement the mandated negotiations that will be launched in services and agriculture.

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).

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Objectives for the Agriculture Negotiations: Domestic Support

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 agriculture negotiations 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.
2. As noted in WT/GC/W/186, on the Objective and Overall Framework for the Agriculture Negotiations, WTO Members should agree to present proposals on specific modalities for the agricultural domestic support negotiations beginning in January 2000 and agree that each WTO Member will table a comprehensive offer following agreed parameters no later than y date.

Background

3. Governments have the right to support farmers if they so choose. However, it is important that this support be provided in a manner that causes minimal distortions to production and trade.
4. In the Uruguay Round, it was agreed that trade-distorting support would be reduced, and upcoming negotiations on agriculture should continue the reform process. At the same time, criteria contained in Annex 2 ("green box") have allowed Members to provide appropriate and legitimate support to farmers in a manner that minimizes distortions to trade while recognizing the important role of agriculture in Member economies. The results of these negotiations should ensure that the "green box" exemption continues to support the primary objectives of minimizing the link between support and production through the use of appropriately specified policies.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Negotiations on Agriculture

Proposal under Paragraph 9(a)(ii) of the Geneva Ministerial Declaration

Communication from Romania

The following communication, dated 7 September 1999, has been received from the Permanent Mission of Romania.

Background

1. Romania considers the future negotiations on agriculture as an integral part of the next comprehensive multilateral trade negotiations. The negotiations in agriculture should be based on Article 20 of the WTO Agreement on Agriculture with the aim to continue the process reform of trade in agriculture as defined by the Agreement, taking into account:

- the experience in the implementation of the reduction commitments;
- the effects of these commitments on the world trade in agriculture products;
- non-trade concerns;
- special and differential treatment to developing-country Members;
- the objective to establish a fair and market-oriented agricultural trading system; and
- what further commitments are necessary in order to achieve the long-term objective as encompassed in the Agreement.

In pursuing these goals, the future negotiations on agriculture should include the following main areas.

Market access

2. The negotiations should aim to further reduce the level of tariff protection, resulting from the Uruguay Round negotiations, in order to provide for increased market access opportunities, especially for developing countries and economies in transition.

Tariff quota administration

3. Taking into consideration the large variety of TRQ administration methods utilized by Members, which in some cases altered the permissibility and transparency of these commitments, a homogenous transparent and previsible system of TRQ administration procedures should be developed.

4. Such a system should aim at a fair and equitable market access, providing equal access opportunities for all WTO Members and avoiding any non-transparent method of TRQ allocation.

Domestic support

5. The present classification of domestic support, as well as the main components of domestic support such as AMS, the relevant criteria and the *de minimis* levels, have their rationale rooted in the Uruguay Round negotiations.

6. One of the goals of the future negotiations should be to further clarify and better define domestic support measures in order to identify and agree upon the inclusion of such measures to allow the continuation and the coexistence of the various types of agricultural policies specific for different WTO Members, with particular attention to the needs of the transition economy Member countries.

7. The current figure of the "*de minimis*" level of AMS for developing countries should be increased above 10 per cent in order to allow greater opportunities to cope with the challenges of the development and transition process.

Export subsidies

8. The negotiations on agriculture should continue the process of reduction in export subsidy commitments. The right to provide export subsidies should be continued for those Members realizing medium and small-sized agricultural production levels, in order to allow them to maintain and to develop their national agricultural sector and to cope with food security problems thus enabling the revenues necessary for paying the import bills for complementary agricultural products.

Non-trade concerns

9. Non-trade concerns are an integral part of the objectives of the mandated negotiations on agriculture and should include, among others, the problem of food security, sustainability of rural development and maintenance of the local rural community. These kinds of concerns are of a general common importance for the majority of the WTO constituency.

Special and differential treatment for developing countries

10. As stipulated both in the "Preamble" and in Article 20 of the WTO Agreement on Agriculture, an integral element of the reform process of the sector is the special and differential treatment to developing-country Members.

11. Romania considers that is necessary that the future facilities which will be negotiated under S&D treatment provisions should be better and more clearly defined in order to generate real benefits for these countries and to support them in pursuing sound development policies.

Proposal

12. The future negotiations, based on Article 20 of the WTO Agreement on Agriculture, shall aim to continue the process of reform of trade in agriculture through further market access commitments and homogeneous disciplines in TRQ administration, reduction in export subsidies and domestic support, taking into consideration the specific interests of the developing countries and of the transition economy Member countries and recognizing the existence of a number of non-trade concerns to be dealt with.

13. The outcome of the future agriculture negotiations should encompass a balanced package of commitments, acceptable and equitable for all WTO Members. Such a package should not allow the opportunity that a Member enjoys "*de facto*" cumulative benefits deriving from a neutral and multilateral framework, which could undermine or impair the negotiated benefits of other WTO Members.

14. The outcome should also contribute to establish a fair and market oriented agricultural trading system. In compliance with this already agreed objective, the importing Members encountering economic difficulties in supporting and reforming their agriculture, in particular the developing countries and the transition economy Member countries should be allowed to apply the agreed tariff reduction commitments only to those imports not subject to export subsidies in the exporting Member.

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Agriculture

Communication from Korea

The following communication, dated 12 April 1999, has been received from the Permanent Mission of Korea.

Background

Article 20 of the Agreement on Agriculture provides that the next negotiations shall take into account several factors, including *inter alia* the experience of implementing the commitments for reducing support and protection, the effects of reduction commitments on world trade, non-trade concerns and special and differential treatment to developing countries.

Despite considerable domestic difficulties, Korea has faithfully implemented its commitments under the Agreement on Agriculture. Based on its experience and from the perspective of a net food-importing country with unfavourable agricultural conditions, Korea makes the following suggestions with regard to the next negotiations on agriculture.

Suggestions

- 1. The basic framework of the Agreement on Agriculture should be maintained so that the reform process can move forward in a consistent manner.**

The goal of the next round of negotiations as defined in Article 20 of the Agreement on Agriculture is to continue with the reform process. In order to carry out the reforms on a consistent basis Members must refrain from bringing radical changes to the Agreement and seek to maintain its key elements. The following elements are particularly important to Korea:

- Market access: the key elements of tariffication mechanism such as tariff equivalents, tariff quotas, and special safeguards.
- Domestic support: the underlying spirit of establishing amber, green and blue boxes and their integral elements such as total AMS, relevant criteria and *de minimis* level.

2. In pursuing the reforms, a flexible and gradual approach should be taken to ensure the participation of all countries.

The Agreement on Agriculture introduced a set of disciplines into agricultural trade. As the disciplines did not fully reflect the unique nature of agriculture, especially the diverse conditions for agriculture, some Members had considerable difficulties in implementing their commitments under the Agreement. Ensuring the participation of all Members is essential to a viable reform process. Members must take a flexible and gradual approach that can accommodate the special nature of agriculture, keeping in mind the need to pursue the reforms in a consistent way.

In Korea's view, the following areas particularly call for a more flexible and gradual approach:

- Market access: tariff reductions and TRQ administration.
- Domestic support: reductions in total AMS and criteria for green box measures.

3. In order to achieve a balance of interests among Members, provisions on non-trade concerns and special and differential treatment to developing countries should be strengthened.

The Agreement on Agriculture does not fully take into account the non-trade concerns and the special requirements of small-scale subsistence agriculture. As a result, it has failed to achieve a balance of interests between exporting and importing countries and between the developed and developing countries. The balance is tipped against developing countries and importing countries, which is highly undesirable. Sound reforms cannot continue at the expense of a particular group of countries.

Korea makes the following suggestions to alleviate the difficulties of the developing countries and importing countries:

- Non-trade concerns, especially the multifunctionality of agriculture and food security should be fully taken into account in continuing the reform process.
- Ways to make the provisions on special and differential treatment of developing countries more operational should be devised. In particular, more attention should be given to the important role that governments can play in achieving this goal.
- Disciplines against arbitrary export restrictions should be developed.

3

국별 제안서 번역분

여 백

농산물협상에 대한 각 국 제안(일반이사회)

1. 호주(WT/GC/W/111, '98. 11. 11)

□ 범위

- UR협상에서 확인된 농산물협상의 장기목표를 달성하기 위해 차기협상의 목표를 의욕적으로 설정해야 함
- 농업협정 前文과 20조에 나타난 농산물교역의 개혁을 성취하기 위해 시장접근, 국내보조, 수출보조에 대해 구체적이고 추가적인 약속을 이끌어 내는 것이 핵심적 요소임
- 아울러, 농업분야를 언제까지 어떻게 GATT 94와 기타 WTO협정의 적용을 받도록 할 것인지 다루어야 함
 - 현행 농업협정의 영역 밖에서 다루어지고 있는 문제도 다루어야 함
 - TRQ관리방법 등 감축약속의 이행에 부정적인 영향을 미치고 있는 쟁점이 많이 제기되었음

□ 구조

- 농산물협상의 구조문제가 구체적으로 제시되어야 함.
 - 협상방법, 주체, 진행방법 등

□ 일정

- 1999년이 끝나기 전에 시작하여 조기에 끝내야 함
 - 평화조항의 만료시기를 고려
- 협상진행상황을 검토할 수 있는 방법이 있어야 함

2. 뉴질랜드(WT/GC/W/112, '98. 11. 11)

□ 시장접근

- 관세
 - 관세 추가감축의 정도, 방법과 일정
 - 고율관세(Tariff peaks, Prohibitive tariffs)

- 가공단계에 따른 관세상승(tariff escalation)
- 진입가격제(entry price mechanism), 가격안정대(price bands), 기타 비종가세(non-ad valorem tax)

○ TRQ

- 시장접근물량 확대의 정도, 방법, 일정
- TRQ 관세의 감축 정도, 방법, 일정
- TRQ 관리방법
- TRQ물량에 대한 특혜적 접근과 WTO비회원국으로부터의 수입

○ 기타

- 특별긴급관세 제도
- 수입 독점

□ 국내보조

○ AMS

- AMS 추가감축의 정도, 방법, 일정
- 품목별 AMS 감축방법
- 외부참조가격의 기준년도 등 기술적 문제

○ 기타

- Blue Box
- 허용보조의 기준

□ 수출보조

○ 수출보조 감축약속

- 수출보조(보조지원을 받은 수출신용 포함)의 감축 정도(철폐), 방법 및 일정
- 수출보조 감축약속의 우회
- 감축약속의 기초를 포함, 수출보조의 정의

○ 移行관련 문제

- 개별품목 수준의 감축약속
- 새로운 시장에서의 수출보조 지원 금지

○ 기타

- 개도국 특별대우
- 수출세를 포함, 수출제한

3. 미국(WT/GC/W/115, '98. 11. 19)

농업협정의 현행 틀을 추가개혁 추진의 기초로 삼고, 농업분야에 나타나는 새로운 도전을 다룰 수 있도록 틀을 보완

시장접근

- 의욕적인 목표 설정을 해야 함
- 양허세율을 실행세율 수준으로 낮추고 복잡한 관세체제를 단순화하여 시장접근기회를 개선·확대
- 관세체계 운영이 보다 확실하고 투명한 시장접근기회를 보장해야 함
- TRQ 관리방법에 대한 새로운 규범 정립
- 국영무역기업의 수입행위에 대한 추가규범 정립
- 특별긴급관세가 더 제한적으로 사용되도록 해야 함

수출보조

- 수출보조의 철폐를 추구
- 수출보조에 대한 규범을 우회하는 조치(수출국영무역의 행위, 수출세, 가격설정방법을 통한 위장된 수출보조 등)에 대한 규범 명확화·강화

국내보조

- 무역왜곡적인 보조감축은 의욕적으로 추진
- 생산과 연계된 보조는 모두 규제할 수 있도록 규범을 강화
- Green Box는 계속 생산과 무역에 대한 영향을 최소화하면서 비왜곡적인 지지를 제공할 수 있는 수단이 되도록 해야 함

새로운 쟁점

- 정당하지 않게 국제무역을 왜곡하는 조치들에 대한 규범을 강화해야 함(농업협정 외의 규범 포함)

- SPS나 TBT조치들이 건강과 환경을 보호하면서도 보다 예측가능하고 규범에 입각하여 이루어지도록 약속이행에 대한 다자적인 접근이 더 다루어져야 함
- 생명공학 농산물의 시장접근문제가 더 논의되어야 함

협상일정

- 서로 다른 이행기간과 일부예외조항의 만료를 감안하여 차기협상 결과 나타날 개혁과정이 단절없이 이루어지도록 해야 함
 - 평화조항의 만료를 고려하여 새로운 약속의 시한을 설정

식량원조와 식량안보

- 추가개혁이 개도국의 원만한 식량수입을 저해해서는 안 됨
 - 새로운 Food Aid Convention에 대한 협상결과를 고려

4. 알젠틴(WT/GC/W/118, '98. 11. 30)

협상의 목표

- 농업분야를 WTO의 일반적인 규범에 완전히 통합하는 것

절차 문제

- 3차 각료회의에서 협상 시작일자, 추진방법, 시한을 설정
 - 평화조항의 만료일과 차기협상 결과의 이행준비를 위해 2002. 12. 31까지는 협상 완료
 - 협상 관련 제안의 시한 설정
 - 협상을 위한 별도의 기구 설치(농업위원회의 정규적인 업무를 방해 하면 안 됨)

의제

- 농업분야를 WTO 일반규범에 합치시키기 위해 농업협정의 모든 측면을 다루어야 함
 - 농업협정 외 요소로 TRQ 관리방법, 국영무역 문제 등도 취급

- 차기협상이 BIA에 대해서만 이루어질 경우는 농업분야에 포함해서 다루고, 보다 포괄적인 협상이 될 경우는 별도로도 논의 가능
- UR협정의 이행과 관련하여 (1) 수출신용, 수출신용 보증, 수출보험 프로그램에 대한 규범 제정 문제가 이행되어야 하고(다시 협상하는 것이 아니라), (2) 수출보조를 철폐하여 개도국들이 무역자유화의 혜택을 완전히 누릴 수 있도록 해야 함
- NTC 개념은 일부 선진국들이 보호무역주의를 정당화하는 논거가 되고 있음
 - 소비자의 우려나 농촌지역·농촌문화·환경보호 필요성 같은 것이 농산물의 과잉생산을 불러와 개도국의 주변화와 빈곤을 심화시켜서는 안 됨

5. 이집트(WT/GC/W/135)

차기협상은 제 때 시작해야 함.

차기협상의 추진원칙

- 현행 농업협정 및 서비스교역협정의 이행결과, 특히 개도국의 교역에 미친 영향에 대한 평가가 성공적인 협상 출범을 위해 필수적
- 이행과정에서 개도국이 겪고 있는 문제에 대응하는 것이 협상의 가장 중요한 목표가 되어야 함
- 개도국 우대와 개도국의 특수한 이해관계가 협상의 모든 국면에 걸친 고려사항이 되어야 함
- 협상의 범위, 구조, 일정은 현실적이어야 하고 특히 개도국들이 정기적인 WTO 활동에조차 제대로 참가하지 못하고 있는 현실을 감안해야 함
 - 개도국의 제한된 능력과 자원을 감안
- 개도국, 특히 최빈개도국들이 자국의 이해관계를 반영할 수 있도록 적절한 지원이 이루어져야 함

차기협상에서 고려해야 할 사항

- 선진국들이 개도국 수출품에 더 많은 시장접근기회 부여
 - 식량안보 등 비교역적 기능
 - 개도국 우대는 협상의 본질적 구성요소
 - 개혁프로그램이 최빈개도국과 식량순수입개도국에 미칠 지 모를 부정적 영향
- 미국과 뉴질랜드의 제안서는 개도국 우대조치를 중요하지 않은 요소로 보고 있어 농업협정 20조와 배치됨

□ 농업협정 이행과정에서의 어려움과 관련,

- WTO 사무국이 농업협정 이행의 영향에 대한 종합적인 평가보고서를 준비해야 함(FAO, UNCTAD등과 협조)
 - UR협상 전후 세계농산물 교역에서 개도국이 차지하는 비중 분석이 중요
 - 특히 개도국 수출 상품에 대해 이행과정 시작 이후 관세율(감축) 수준이 품목(tariff line)별로 분석되어야 함
 - 특히 개도국의 식량안보에 미친 영향도 분석 필요
- 식량순수입개도국에 대한 이행의 영향과 관련한 조치가 제대로 이행되지 않고 있음
 - 이 문제는 차기협상에서 다룰 문제가 아니라 기존 결정의 이행문제이므로 조속히 해결되어야 함

6. 호주(WT/GC/W/156, '99. 3. 24)

- 농산물교역이 다른 상품과 동일한 기초에서 이루어지도록 해야 함
 - 모든 무역왜곡적인 보조금은 제거하고 농산물에 대한 시장접근을 대폭 개선하여 시장의 힘에 따라서 교역이 이루어지게 해야 함
- UR협상 결과 농산물 교역이 규범에 기초하여 이루어지고 농업에 대한 지원과 보호도 줄이게 되었으나, 아직도 OECD 국가의 농업에 대한 지원수준은 매우 높은 수준임('97년에 2,800억\$)
 - 많은 품목에 대해 시장접근을 저해하는 장애요인이 존재

- 농산물교역을 완전자유화하면 경제성장, 복지, 식량안보와 지속가능한 개발에 긍정적인 효과가 있을 것으로 기대됨
- 식량안보는 다변화되고 신뢰할 수 있는 공급원 확보를 통해 달성될 수 있음
 - 특히 식량순수입 국가에 대한 수출제한은 허용되어서는 안 됨
- 농업에 대한 보조와 시장접근 제한으로 인해 환경에 해로운 농법이 도입되므로, 이런 보조와 제한을 없애면 환경적으로 지속가능한 농업이 발전될 수 있음
- 최빈개도국과 작은 나라를 포함한 개도국에 대한 우대는 차기협상의 본질적인 구성요소로 다루어져야 함.
 - 자유화를 통해 기술지원 등 경제성장에 필요한 사항을 지원해야 함
- 수출보조, 시장접근, 국내보조 등 농산물 교역과 관련된 모든 영역을 다루는 포괄적인 틀 속에서 협상이 진행되어야 함
 - 수출보조를 계속 유지할 정당성이 없음
 - 조기에 완전히 철폐하고 금지해야 함
 - 수출보조 우회를 막기 위한 명확한 규범이 있어야 함
 - 수출신용은 정부의 보조를 끝내기 위해 효과적인 국제적 규범의 적용을 받아야 함
 - 농산물에 대해서도 다른 상품과 같은 조건하에 상업적으로 의미가 있는 시장접근이 이루어져야 함
 - 관세만이 유일한 보호수단이 되어야 함
 - 고율관세는 낮추고 가공단계에 따른 관세상승은 없애야 함
 - 고부가 상품을 포함한 농산물의 시장접근을 획기적으로 확대해야 함
 - 비관세장벽은 예외없이 철폐해야 함
 - TRQ하의 교역물량은 크게 늘어나야 함
 - TRQ 관리방법은 시장접근기회의 규모나 가치를 떨어뜨려서는 안 됨

(특히 개도국 관심상품의 경우)

- 농업에 대한 보조수준은 다른 산업에 대한 지원에 비해 여전히 훨씬 높음
 - 모든 농산물에 대한 국내보조를 대폭 줄여야 함
 - 생산과 무역을 왜곡시키지 않는 보조금만 허용하고 무역을 왜곡하는 보조는 전부 철폐해야 함
 - 가격지지를 줄이는 데 따른 보상적 지출을 예의 주시할 것이며, 소득보조 등의 국내보조 조치가 실제로 특정 목적에 맞춰되고, 투명하고 생산과의 연계가 완전히 끊어져 생산과 무역을 왜곡하지 않게 되도록 노력할 것임

7. 파키스탄(WT/GC/W/161, '99. 3. 26)

- 농업협정의 목표인 공정하고 시장지향적인 체제는 아직 이루어지지 못했음
 - UR협상의 합의사항을 지키겠다는 선진국의 정치적 의지 부족과 협정문 자체의 결함 때문

- 차기협상 시작을 위한 전제조건으로 즉각 조치해야 할 사항
 - 선진국들이 관세상당치의 과대계상을 통한 관세화, 선별적인 관세감축, 가공단계별 관세인상을 통해 농산물의 수입을 억제하고 가공식품으로의 다변화를 막아 오고 있는데, 이는 즉시 시정해야 함
 - 선진국들이 국내생산자에 대해 국내보조를 계속하고, 총액감축방식을 악용하여 개도국의 관심품목에 대한 보조감축은 덜 함으로써 경쟁력을 떨어뜨렸음
 - 장기적으로 품질, 가격, 서비스에 바탕을 둔 상업적 기초하에서 경쟁을 해야 하므로, 국내보조의 대폭 감축이 요구되고 있음
 - MFN 관세쿼타를 특수한 공급자에게만 공급하는 등 차별적이고 투명하지 못한 TRQ 관리방법, 국영무역기업에 더 좋은 기회를 주는 행위, 쿼타물량을 광범위하게 양허하고 특정 품목의 수입은 제한하는 행위, 국내 농산물 사용 조건부로 쿼타를 배정하는 행위, 기타 비관세 국경

조치를 유지하는 행위 등이 선진국들이 시장접근약속을 지키지 않는
예임

- 이와 같은 무역왜곡적 조치에 대한 명백한 지침이 마련되어야 함
- 개혁과정이 최빈개도국 및 식량순수입개도국에 미치는 영향 관련 조
치에 대한 결정이 철저히 무시되어 왔으므로 구체적인 운영지침을 마
련하고 관련 사업을 추진해야 함
- 현재와 같은 불균형이 시정되지 않은 상태에서 개도국의 시장을 추
가로 개방하게 되면 복지에 심각한 부정적 영향을 미칠 것임
- 새로운 협상 시작 전에 이런 문제들이 다뤄지고 해결되어야 함

□ 차기협상에서 다뤄야 할 사항

- 선진국들이 보다 높고 선별적인 농업보호주의로 후퇴하지 않도록 보
장해야 함
- 2005년까지 선진국의 관세 수준을 의미있는 수준까지 낮추고 시장접
근조항을 강화해야 함
- TRQ의 단계적 확대
- 수출국들이 제공하고 있는 모든 종류의 국내지원, 품목특정적 보조,
수출보조의 즉각적인 철폐
- 특별긴급관세조항의 철폐(종종 보호무역주의적 수단으로 이용됨)
- 개도국 및 최빈개도국에 대한 보다 낮은 우대조항과 국내보조 사용
에 있어 추가적인 융통성 부여(선진국의 융통성은 축소)
 - 개도국의 농업발전과 식량안보 확보를 위해, 국내보조 및 수출보조
감축약속을 개도국에는 적용하지 않고, 이미 감축계획을 제시한 개
도국은 지원수준을 높이고 감축속도를 줄일 수 있는 융통성을 제공
하기 위한 양해가 이루어져야 함
- 개도국의 의무면제를 위해 농업협정 3·4조를 명확화하거나 수정
- 개도국의 식품산업 다변화를 위해 가공단계별 관세인상을 합리적으
로 조정
- 식량순수입국의 국제수지 문제 해결 차원에서 선진국들이 순환식 자
금(revolving fund) 제공
- 개도국의 생산성, 저장, 등급, 포장능력 제고를 위한 기술지원 구체화

8. 쿠바, 도미니카 공화국, 엘살바도르, 온두라스, 니카라과, 파키스탄
(WT/GC/W/163, '99. 4. 9)

- WTO 출범이후, 선진국 시장에 대한 개도국의 시장접근 확대는 이루어지지 않았음
 - 고율관세의 지속, 선별적인 관세감축, 가공단계별 관세인상, 최소시장접근 관련 규정의 단점, SPS조치 등이 원인

- 시장접근
 - 고율관세의 실질적인 감축, TRQ의 점진적 증량, TRQ에 대한 관세인하, TRQ 관리방법의 투명성 제고와 비관세장벽 철폐
 - 개도국 산품에 대한 특별긴급관세 적용 배제

- 국내보조
 - 마케팅, 운송, 농업생산 다변화, SPS 기준에의 합치를 위한 개도국의 국내보조에 대한 융통성 부여

- 식량수입국에 대한 특별한 관심
 - 식량수입국이 수출을 늘려 증가하는 수입수요에 충당할 수 있도록 시장접근기회를 개선
 - 농업생산의 다변화와 생산성 제고를 위한 선진국의 금융·기술지원

- 개도국, 특히 소규모 취약한 경제구조를 지닌 나라의 농업의 비교역적 기능
 - 식량안보 상황 개선, 농촌인구의 삶의 질 유지, 환경보전을 위한 정책묶음(package)을 만들어 감축약속에서 제외
 - 자연재해시 국내생산을 되살리기 위한 국내보조조치의 잠정적인 허용을 위한 융통성 부여

9. 호주(WT/GC/W/166, '99. 4. 9)

□ 차기협상의 목표는 구체적인 시한을 정해 농산물교역이 다른 상품과 똑같은 토대 위에서 이루어지도록 하고 무역제한이나 왜곡문제를 시정하여 공정하고 시장지향적인 무역체제를 만드는 것

□ 배경

- 50년간의 GATT 활동결과 공산품 교역에 대한 장벽은 현격하게 줄어들었음
 - 평균관세율 4% 이하, 수출보조 금지, 수입제한·보조·비관세장벽에 대한 엄격한 규범 등
- 반면에 농업분야에는 보호무역주의가 만연
 - 300% 이상의 관세가 혼잡
 - 수출보조, 아무 제약없는 수출신용, 무역왜곡적인 국내보조 만연
 - 무역왜곡조치는 OECD 국가들이 많이 활용
- 그 결과, 농업부문에 의존하는 개도국·최빈개도국을 포함한 많은 나라들이 개방적이고 무차별적인 다자무역체제의 혜택을 못 받고 있음
- 차기협상에서는 농산물교역도 다른 상품들과 똑같은 기초하에서 이루어지도록 해야 함
 - 자본, 기술, 공산품에 대한 장벽은 최소한으로 줄거나 없어졌는데 비해 농업에 대해서만 차별을 한다는 것은 납득할 수 없음

10. 호주(WT/GC/W/167, '99. 4. 9)

□ 개도국 우대조항은 농산물협상의 본질적인 구성요소임

- 자유화를 위한 틀은 회원국의 개발필요성을 지원해야 하므로, 이행에 있어서의 융통성, 기술지원 및 개도국 관심상품에 대한 시장접근기회 확대가 포함되어야 함

□ 배경

- 농산물교역 자유화를 마무리하면 경제성장, 복지, 식량안보, 지속가능한 개발 측면에서 커다란 혜택이 있을 것임

- 개도국의 보다 가난한 농민을 비롯한 더 많은 농민들이 많은 보조를 받은 농산물과 경쟁해야 하는 부담없이 시장신호에 따라 생산하고 새로운 소득을 얻을 수 있는 기회를 갖게 됨
- 대부분의 WTO 회원국들이 최빈개도국을 포함한 개도국이거나 소규모 국가인 반면, 무역왜곡적인 국내보조와 수출보조의 대부분은 선진국에서 지급되고 있음
- 개도국 관심상품에 대한 것을 포함하여 고율관세와 가공단계별 관세 인상이 선진국에서 흔히 나타남
- 농업협정 20조를 비롯하여 협정문에 나타나 있는 개도국 우대의 원칙이 근본적인 개혁으로 귀결될 지원과 보호의 점진적이고 상당한 감축에 있어 고려되어야 함

11. 호주(WT/GC/W/²⁶⁸'99. 4. 9)

모든 형태의 수출보조는 즉각 철폐하고 금지해야 함

배경

- 수출보조가 국제 농산물교역을 심각하게 왜곡하고 있음
 - 공산품 분야에서는 수출보조가 허용되지 않음
- 수출보조 감축약속을 한 나라는 25개국에 불과하고 14개 나라만이 수출보조를 사용하고 있으며, 선진국이 수출보조의 90%를 지급함
- 수출보조의 철폐를 통해 국제 농산물시장의 왜곡을 시정하고 제거함으로써 공정하고 시장지향적인 농산물교역체제를 만들 수 있음
 - 수출신용에 포함되어 있는 정부보조적인 요소를 없애기 위해 효과적인 국제규범이 적용되어야 함
 - 수출보조 감축약속의 우회를 막기 위해 명쾌한 접근을 해야 함

12. 한국(WT/GC/W/170, '99. 4. 16)

배경

- WTO 농업협정 제20조에서는 차기협상의 고려요인으로 그간의 보조 및 보호감축 이행경험, 농산물 교역에 미친 영향, 농업의 비교역적 기능 (NTC), 개도국에 대한 특별대우 등을 명시적으로 규정하고 있음.
- 한국은 국내적으로 많은 어려움속에서도 UR 협상결과를 충실하게 이행하여 왔음. 이러한 협정 이행경험과 불리한 농업여건을 가진 식량순수입국의 입장을 기초로 하여 차기 농산물협상에 대해 우리 입장을 제안함.

□ 제안 내용

- 현행 농업협정을 존중하는 토대 위에서 일관성 있는 개혁 모색
 - 농업협정 제20조에 규정된 농업개혁작업을 지속적으로 수행하기 위하여 기존 농업협정의 급격한 변화는 자제되어야 하며 협정의 중요한 요소들이 계속 유지되어야 함. 이와 같은 관점에서 특히 다음 항목들이 중요함
 - 시장접근분야 : 관세상당치(TE), 관세쿼타(TRQ), 특별긴급조치(SSG)등 관세화의 기본적 요소
 - 국내보조분야 : Amber(감축대상), Green(허용대상), Blue Box(생산제한계획하의 직접지불)의 기본 취지와 그와 불가분의 요소인 보조총액측정치(Total AMS), 설정기준, 최소허용치(De-Minimis) 등
- 모든 국가의 참여가 가능한 수준에서 신축적이고 점진적인 개혁 모색
 - 현행 농업협정은 농산물 교역에 대해 규율을 제정한 것이나 각 국의 다양한 농업여건 등 농업의 특성이 충분히 고려되지 않아 협정 이행과정에서 일부 국가들이 많은 어려움을 겪었음.
 - 농업개혁을 수행하기 위해서는 모든 국가의 동참이 필수적이며, 개혁의 일관성이 유지되는 범위내에서 농업의 특성이 고려될 수 있는 신

축적이고 점진적인 접근이 이루어져야 하며 함. 이와 같은 관점에서 신축성의 확대가 필요한 분야는 다음과 같음

- 시장접근분야 : 관세감축, TRQ 관리방법
- 국내보조분야 : Total AMS 감축, Green Box 분류기준 등

○ 농업의 비교역적 기능(NTC)과 개도국 특별대우의 강화를 통한 참가국간 이익균형 모색

- 현행 제도는 농업의 비교역적인 기능과 소규모 생존농업사회의 여건을 충분히 반영하지 못함으로써 농산물 수출·입국간, 선진·개도국간 이익의 균형을 잃고 있으며 특히 수입국과 개도국의 어려움을 가중시키고 있음. 특정 국가들의 희생을 통해서만 건전한 개혁이 지속될 수 없음
- 개도국과 수입국의 어려움을 완화하기 위해 다음 항목들이 고려되어야 함
 - NTC, 특히 농업의 다원적 기능, 식량안보 개념이 농업개혁 과정에서 충분히 고려되어야 함
 - 개도국 우대조치의 보다 효과적인 이행 방안을 강구해야 하며, 이러한 목적을 달성하기 위한 정부 역할의 중요성이 인정되어야 함.
 - 자의적인 수출통제에 대처하기 위한 규범 제정이 필요함.

13. 호주(WT/GC/W/177, '99. 5. 4)

궁극적으로 생산과 무역을 왜곡하지 않는 국내보조만 허용하고 무역을 왜곡하는 보조는 대폭 감축하여 최종적으로는 폐지해야 함

배경

- OECD 국가의 농업에 대한 지원수준이 매우 높고('97년 2,800억\$),

많은 지원조치가 AMS와 Blue Box에 해당되며 생산과 무역을 왜곡하고 있음

- 높은 보조는 과잉생산을 초래하고 세계시장에서 나타나는 문제의 원인이 되고 있음
- 28개 나라만이 AMS 감축약속을 했으며, 이러한 지원의 90%는 선진국이 사용하고 있고, 다섯 나라만이 사용하고 있는 Blue Box에는 상한선이 설정되어 있지 않음
- 공정하고 시장지향적인 농산물무역체계를 구축하고 세계 농산물시장의 왜곡을 치유·방지하기 위해서는 이러한 무역왜곡적인 보조를 철폐해야 함
- 농산물도 공산품과 같은 기반에서 교역이 이루어져야 한다는 목적과 일치
- 하부구조 개선, 연구 및 교육, 소득지지, 자연재해 구호, 투자 및 환경 목적의 교역을 왜곡하지 않는 지원은 여전히 허용될 것임

14. 호주(WT/GC/W/184, '99. 5 .20)

모든 기초농산물과 가공농산물에 대한 시장접근기회를 획기적으로 확대함으로써 비농산물과 같은 조건에서 상업적으로 의미있는 시장접근이 이루어지도록 해야 함

배경

- UR협상 결과 농산물교역에 대한 규범적 틀이 마련되고 농업에 대한 보호를 줄이기 위한 초기적인 조치들이 도입되었으나, 농산물과 비농산물에 적용되는 시장접근 조건에는 차이가 상당히 많음
- 많은 농산물에 대한 국경조치가 다른 분야에 비해 상당히 높고, 일부 비관세장벽이 남아 있으며, 농업개혁이 진행되는 동안에는 특별긴급 관세 부과가 허용됨
- 농산물교역이 시장의 힘에 따라 이루어지도록 모든 가공단계의 농산물에 대한 보호수준을 낮춰야 함
 - 관세, 고율관세, 가공단계별 관세인상, TRQ물량, TRQ에 대한 관세,

시장접근약속에 대한 규율 등 시장접근과 관련된 모든 측면이 고려되어야 함

15. 미국(WT/GC/W/186, '99. 5. 20)

- 농산물협상의 목적은 지원과 보호를 추가적으로 대폭 줄임으로써 무역기회를 확대하면서, 교역을 왜곡하지 않으면서 농민을 지원할 수 있는 방법을 권장하고 농산물교역 관련 규범을 강화하는 것
 - 현행 농업협정의 틀(시장접근, 수출보조, 국내보조)을 바탕으로 추가 개혁을 추진하고 새로운 문제에 대해서는 새로운 규범 정립
 - 회원국들은 일정한 시한 안에 종합적인 제안을 제출

16. 호주(WT/GC/W/197, '99. 6. 7)

- TRQ 관리방법 때문에 시장접근기회의 규모나 가치가 줄어서는 안 됨
- 배경
 - TRQ 관리방법이 종종 TRQ 자체의 영향 이상의 보호효과가 있다는 지적이 많았으며, TRQ 수입률이 ⅓이하임
 - TRQ 관리방법에 대한 구체적인 규범이 없는 상태이므로 시장접근을 막는 효과를 최소화할 수 있는 규범정립이 필요함

17. 호주(WT/GC/W/198, '99. 6. 7)

- 무엇보다도 TRQ하의 교역물량을 상당 수준 늘림으로써 시장접근을 개선해야 함. 그럼으로써, 관세만이 유일한 보호수단이 되도록 하고 농산물과 비농산물에 대해 같은 시장접근기회가 보장되도록 해야 함
- 배경
 - TRQ는 비관세장벽의 보호를 받던 품목의 교역을 촉진하기 위해 도입된 것임

- 많은 시장에서, out-quota 세율이 높기 때문에 TRQ가 상업적으로 의미가 있는 유일한 교역기회를 제공하고 있음

18. 호주(WT/GC/W/199, '99. 6. 7)

관세쿼타물량에 대한 관세 감축, 고율관세의 감축과 가공단계별 관세 인상의 폐지를 포함, 모든 관세를 대폭 인하해야 함

배경

- 농산물에 대한 관세는 공산품관세보다 훨씬 높고, 특히 고율관세는 종종 교역이 일어나지 못할 만큼 높음
- 가공단계별 관세인상은 개도국 관심상품의 교역에 대한 중대한 장애가 되고 있고, 복합세를 비롯한 복잡한 관세로 인해 교역의 예측가능성이 떨어짐

19. 불가리아·체코·헝가리·라트비아·슬로박·슬로베니아(WT/GC/W/217, '99. 6. 28)

배경

- 농업협정상 Green Box, Blue Box, 개도국 우대조치 등 감축의무를 면제하는 조항이 포함되어 있으나, 시장경제로의 이행과정에 있는 나라를 위한 조항은 없음(농지의 재사유화를 위한 투자지원이 유일하게 Green Box로 인정)
 - 이행과정에 있는 나라의 특수한 여건상 Green Box등 농업협정에 인정되어 있는 조치는 종종 쓸모가 없음
 - 농업생산이 침체 또는 붕괴되고 있는 상황이기 때문에 blue Box나 자원은퇴지원프로그램은 선택할 수 있는 대안이 못 됨
 - 생산과 연계되지 않은 소득지지나 소득보험, 소득안전망프로그램은 합리적이고 비교가능한 기준년도 및 적절한 행정적·사적 mechanism 이 있는 것을 전제로 하고 있으나, 대부분의 나라에서 이를 기대할 수 없음

□ 제안

- 이행과정 중이거나 이행 후에 있는 나라들이 이행에 필요한 지원조치를 도입하거나 계속하는 데 필요한 수단을 찾아서 인정해야 함

20. 일본(WT/GC/W/220, '99. 6. 28)

(제안)

□ 협상의 목표

- 식량수입국과 수출국, 선진국과 개도국 모두에게 공정하고 공평하며 회원국들의 다양한 형태의 농업이 공존할 수 있는 규범을 수립하는 것
 - 규범은 (1) 농업의 다원적 기능의 중요성, (2) 국내농업정책의 원만한 이행을 위한 여지, (3) 각 국 농업의 역사적 배경과 자연조건의 차이를 감안해서 수립되어야 함
 - 국제시장에서의 식량수급의 불안정성과 개도국의 기아/영양부족문제를 고려할 때, 다원적 기능의 하나로 간주될 수 있는 식량안보를 위해서는 국내생산이 기초가 되어야 한다는 사실이 고려되어야 함
 - 수출국과 수입국간의 권리와 의무의 불균형이 시정되어야 함

□ 주안점

- 수출국과 수입국간 권리·의무의 불균형 시정 차원에서 수출금지 및 제한조치, 수출세, 수출보조, 수출국영무역기업에 대한 규범을 강화
- 현행 협정의 기본적 틀을 유지하는 가운데 현행 규범을 재점검
 - 협정 이행경험을 고려하고, 회원국들이 추진하고 있는 시장지향적인 접근을 위한 개혁과정이 원만하게 추진되도록 해야 함
- 개도국이 의무를 원만하게 이행하고 식량안보를 달성할 수 있도록 개도국의 상황과 필요에 맞는 특별한 고려를 해야 함
- GMO농산물과 같은 새로운 쟁점도 적극적으로 다루어야 함

□ 협상주체 등

- 농업의 특수성을 고려하여 별도의 농산물협상그룹을 설치
 - 국내보조, 국경조치, 수출관련 규범을 종합적으로 협상
- GMO등 새로운 쟁점에 대해서는 별도의 장(forum)을 마련, 종합적으로 논의
 - 현재의 상황 분석, 다뤄야 할 문제 식별, 그러한 문제와 현행 WTO 규범과의 관계 검토 등

(배경)

□ 농업의 다원적 기능

- 농업의 역할은 농산물을 생산·공급하는 데 그치지 않음
 - 자연환경과 조화를 이룬 생산활동을 통해 미래에 있을지 모르는 예기치 않은 사건이나 식량부족으로 인한 위협을 줄여주는 식량안보 기능, 토지 및 환경 보전 기능, 아름다운 경관 창조 기능, 지역사회 유지 기능 등 다원적 기능을 함
- 다원적 기능은 (1) 대부분 외부효과로서 그 가치가 시장가격에 반영되기 어렵고, 생산과 연계되어 있으며 무역을 통해서 얻어질 수 없음 (2) 시장기구만으로는 다원적 기능을 구현할 수 있는 농업생산방법이 실현되기 어려움
- 따라서, 식량공급의 기초로 국내농업생산을 유지하고 다원적 기능을 달성하기 위해서는 일정한 정책개입이 필요함
 - 이를 위해, 현행협정의 이행경험을 바탕으로, 국제적인 틀 속에서 다원적 기능을 달성하기 위한 정책개입의 형태와 정도를 검토해야 함
- 다원적 기능의 여러 측면 중에서 다음 조건을 충족하는 것을 검토해야 함
 - 농업생산과 긴밀하게 연계되어 있고 생산과 분리될 수 없는 기능
 - 일반적으로 관찰된 농업생산행위와 관련하여 중요한 역할을 하는 기능
 - 국민들이 일반적으로 가치를 인정하고 있는 기능

□ 식량안보

- 국가는 국민에 대해 안정적인 식량공급을 할 책무가 있음. 특히 식량 순수입국의 경우 안정적인 식량공급은 소비자들의 주요 관심사항이기 때문에 중요한 정책목표임
- 세계적인 식량공급은 공급의 집중, 이상기후에 대한 취약 등 농산물 교역의 특성상 불안정함.
 - 엘니뇨와 같은 이상기후 때문에 단기적으로 식량수급이 불안정해질 수 있고, 개도국의 인구증가 및 경제성장에 따른 수요증가로 인해 중장기적으로도 뻣뻣해질 수 있음
- 기아와 영양실조로 고통을 받고 있는 개도국의 경우 식량안보 문제 해결을 최우선과제로 삼아 왔음
 - 따라서, 단기적인 식량원조를 통한 식량확보 뿐 아니라 장기적으로 지속가능한 식량생산성에 높이기 위한 지원이 필요함
 - 식량순수입 개도국 문제를 적절히 다룰 수 있는 구체적인 조치를 검토하는 것이 특히 중요함
- 식량안보를 위한 정책수단에는 국내생산 뿐 아니라 재고비축과 수입도 포함되나, 수입에 지나치게 의존하는 것은 문제가 있음
 - 단기적으로 세계 식량수급상황이 불안정해질 수 있고, 중장기적으로 뻣뻣해질 수 있음
 - 농산물은 전체 생산량중 비교적 적은 부분만이 수출되고 있고 주요 농산물은 일부 나라만 수출하고 있음
 - 식량부족시 경제규모가 큰 나라가 대규모로 구입을 하면 국제시장에 부정적인 영향을 미칠 수 있음
 - 재고비축은 긴급한 수요 충족에는 유용하나, 품질 및 비용 측면에서 단기적인 조치에 불과함
- 따라서, 식량안보를 위해서는 국내생산을 늘리는 것이 가장 기본적인 방법임
 - 현행 농업협정의 이행경험을 바탕으로, 국제적인 틀 내에서 어떻게 어느 정도까지 정책개입이 이루어져야 하는지 검토해야 함
 - 모든 주요품목을 똑같은 방식으로 검토해서는 안 되며, 각 품목별

생산·교역·소비의 특성이 고려되어야 하고, 양뿐 아니라 안전성과 가격의 안정성 등 질적인 측면도 고려해야 함

- 식량안보를 확보하기 위한 국내생산은 농산물의 생산기능만 하는 것이 아니라 위험에 대한 안전망 기능도 하고 있음.
 - 농산물 생산이 완전히 시장 메카니즘에 따라서만 이루어질 경우 식량안보는 확보되지 못할 수 있음
 - 따라서 정부가 국내생산을 유지할 책임이 있다는 점에서 식량안보는 다원적 기능의 하나로 간주될 수 있음

□ 수출관련 규제 강화

- 1차산품인 농림수산물은 국제적으로 수요가 비탄력적이고 수입국은 많은 반면 수출은 일부 특정 국가만 하고 있으므로, 수출국이 취하는 조치가 국제가격에 심각한 결과를 가져올 수 있음
- UR협상 결과 관세이외의 국경조치는 원칙적으로 관세로 전환되었으나 수출금지과 제한, 수출세와 수출보조를 비롯한 수출관련 규범은 느슨한 상태로 남아 있음
- 수출국영무역의 경우도 규범이 느슨한 데, 이중가격체제나 시장별 가격차별 등을 통해 수출보조 감축약속을 우회할 수도 있음
- 수출국과 수입국간 권리·의무의 불균형이라는 측면에서 뿐 아니라 수입국의 식량안보를 위해서도 이런 상황은 시정되어야 하고, 이를 위해 수출과 관련된 규범을 강화할 필요가 있음

□ 국내보조

- 농업의 다원적 기능은 공공재적 성격을 갖고 있고 생산과도 긴밀하게 연계되어 있음.
 - 따라서, 정책개입(국내보조)은 이런 면에서 생산과 완전히 분리될 수 없고, 식량안보를 비롯한 다원적 기능의 실현을 위해서는 어느 정도 정부의 개입이 필요함
- 현행 농업협정의 보조금 분류체계는 어느 정도 이론적 근거가 있음.
 - 현행 분류체계를 근본적으로 재검토하고 허용보조정책의 무역왜곡 효과를 완전히 제거하는 것은 불가능하므로, 시장지향적인 정책으로

의 원만한 이행을 돕는다는 차원에서 현재의 틀을 유지하면서 지난 협정의 이행경험을 바탕으로 허용보조정책의 요건과 범위를 재검토하는 것이 바람직함

- Blue Box는 감축대상보조를 허용보조로 옮겨가는 매개적 수단이 되고 있음을 인정해야 함. Blue Box는 감축대상보조보다 무역과 생산에 대한 왜곡효과가 적으므로 유지되어야 하고 긍정적으로 평가받아야 함
- 감축대상보조 정책을 다룸에 있어서는 시장지향적인 방향으로 정책이 수립되고 있음을 감안하고, 총액 AMS방식 등 현재의 틀을 기초로 이행에 있어서의 융통성을 확보해야 함

□ 시장접근

- WTO체제하에서 농산물교역과 관련하여 자연적 및 경제적 조건의 차이를 조정할 수 있는 유일한 합법적인 국경조치는 관세뿐임
 - 이런 관점에서 수량제한을 포함한 비관세장벽은 원칙적으로 관세로 대체되었음.
 - 이런 점에서 국경조치와 관련해 수입국의 관세만을 검토하는 것은 적절하지 않음. 농업의 다원적 기능이나 현실적인 생산조건 같은 요소를 고려한 균형잡힌 접근이 요구됨.
- 농산물 순수입국에서는 국내생산을 늘리는 것이 식량안보를 확보하기 위한 기반으로 간주되어야 하므로, 국내지원과 함께 적절한 국경조치가 고려되어야 함.
 - 수출국들에게 수출제한이나 금지를 인정하는 현재의 무역규범 하에서는 수입국들이 자국의 식량안보를 위해 적절한 국경조치를 취하는 것이 정당함
- 현재의 관세수준은 일련의 무역협상에서 비롯된 각 품목의 상황과 국내의 지리적·자연적 여건을 바탕으로 결정된 것임
 - UR협상에서 out-quota에 대한 관세는 국내외 가격차에 기초해서 설정되었음.
 - 이러한 배경과, 일정 수준의 국내생산 및 농업의 다원적 기능을 유지하기 위한 필요성을 감안하면서 관세의 수준을 검토해야 함

- 시장접근은 UR협상의 이행경험과 수입국의 수급상황 등 다양한 요소를 고려하여 적정한 수준이 되어야 함
- 가공식품의 국경조치와 관련해서는 고급식품을 안정적으로 공급하는데 있어서 중요한 역할을 하는 식품산업의 건전한 발전에 유의해야 함
 - 농산물과 가공품에 대한 국경조치는 각 품목의 여건을 고려하여 품목별로 구체적인 방법으로 검토되어야 함. 모든 품목을 획일적으로 취급하여 품목의 특성을 무시하는 것은 적절하지 못함.
- 긴급수입제한과 관련해서는 농산물의 구체적인 특성을 감안하여, 회원국들이 급격한 수입제한 같은 상황에 즉각적, 효율적으로 대응할 수 있는 체제와 운영방법이 검토되어야 함.

□ 개도국을 위한 조치

- WTO회원국의 대부분은 개발도상국이므로, 이들이 협정상의 의무를 잘 이행하고 전체 WTO체제에 적극적으로 참여할 수 있도록 하는 것이 중요함
 - 이를 위해, 개도국이 상황과 필요에 부응하여 협정을 효과적으로 이행할 수 있도록 능력을 향상시키는 데 특별한 배려를 해야 함
- 개도국은 기아와 영양실조로 고통을 받고 있기 때문에 식량안보 확보가 최우선 과제임.
 - 단기적인 식량원조 조치뿐 아니라 장기적으로 지속가능한 식량생산성 제고를 위한 지원이 필요함. 특히 식량순수입개도국의 문제를 해결하기 위한 구체적인 조치를 충분히 검토하는 것이 중요함.

□ 새로운 도전에 대한 대응

- 최근 소비자들은 식품안전, 재활용(recycling), 유기농산물 등에 점차 많은 관심을 보이고 있는데, UR협상 때에는 이런 문제가 公衆의 관심을 끌지 못했었으므로 차기협상에서 적절히 다루어야 함.
- 예를 들어 GMO 농산물이 늘어나면서, 그 생산, 수출입, 표시, 관련 지적재산권 보호 문제 등이 쟁점이 되고 있음
- 이런 새로운 문제들은 여러 가지 WTO협정과 관련이 되어 있기 때

문에 현행 WTO의 틀에서 다루기 어려움

- 따라서, 보다 넓은 관점에서 새로운 문제들을 다루어야 함.

□ 차기협상 담당기구

- 농산물협상을 위한 별도의 그룹을 만들어 시장접근, 국경조치, 수출 관련 규범을 종합적으로 다루어야 함.
- GMO와 같은 새로운 쟁점은 별도의 장(forum)에서 다루어야 함.

21. 호주(WT/GC/W/237, '99. 7. 6)

□ 식량과 농산물의 세계시장에 대한 접근기회를 확대하고 식량수입국, 개도국, 최빈개도국에 대한 식량공급의 확실성을 높이기 위해 수출제한과 수출세에 대한 규범을 개발해야 함.

- 그런 규범은 가공단계별 관세인상의 철폐를 비롯한 농산물 무역자유화 진전의 본질적인 구성요소가 될 것임

□ 배경

- 수출제한이나 수출세가 농산물수출을 제한하기 위한 목적으로 사용되는 경우, 국제시장을 안정적인 식량공급원으로 믿어도 될 지에 대한 우려가 생김.
 - 수출제한과 수출세에 대해 보다 엄격한 규범을 적용하면 세계시장에서 식량을 공급받을 수 있다는 생각이 커질 것임
- 가공단계별 관세인상은 수출국, 특히 개도국들의 가공산업발전을 가로막음. 종종, 수출시장에서의 가공단계별 관세인상에 대응하여 일부 개도국들이 원자재 수출에 대해 규제하거나 세금을 부과함
 - 가공단계별 관세인상의 제거를 비롯한 무역자유화가 진전되면 수출제한이나 수출세에 대한 효과적인 규범을 만드는 데 도움이 될 것임
- 효과적인 다자무역체제는 자원배분의 개선, 잠재적 공급자의 증가, 보다 높은 소득수준, 가격과 공급의 안정성 개선 등을 통해 식량안보에 기여함.
 - 수출제한 및 수출세에 대한 적절한 규범도 효과적인 무역체제를 보

장하기 위한 중요한 부분임

22. 노르웨이(WT/GC/W/238, '99. 7. 6)

□ 제안

- 농업협정 20조와 개혁과정의 계속에 대한 조문에 따라 차기협상은 공정하고 시장지향적인 농산물교역체제라는 목적달성을 위해 농업협정의 규범을 다듬는 것을 목표로 삼아야 함
 - 충분하고 적절한 식량공급, 개도국(특히 최빈개도국)의 관심사항, 다원적 기능을 하는 농업의 비교역적 관심사항을 보호하고 증진하는 문제 등 새로운 도전 등을 고려해야 함
- 협상은 비교적 단기간에 끝나야 하며 별도의 농산물협상위원회에서 추진해야 함

□ 배경

- 많은 개도국들이 UR협상으로 인해 생긴 기회를 활용하고 있지 못하므로, 개도국에 대한 기술 및 금융지원 뿐 아니라 개도국 우대조치가 필요함
- 농업의 다원적 기능이 향후 정책설계에 있어 중요한 구성요소로 떠오르고 있음
 - 농업은 식품과 섬유의 제공 및 식량안보의 확보라는 1차적인 기능 외에도 농촌지역의 활력유지, 농업적 경관과 문화유산의 유지, 생물다양성의 보전, 동식물과 인간의 건강의 유지 등에 기여하고 있음.
 - 식량안보와 이러한 다양한 기능은 공공재적 성격이 있어 정부의 개입이 정당화됨
 - 시장에 의한 해결에 한계가 있다는 것이 농업분야의 기본적 특성이며, 이 때문에 앞으로도 다자무역체제에서 별도로 다루어져야 함
- 식량순수입국과 수출국의 이해가 균형있게 반영되어야 함
- 농업협정의 이행과정에서 나타난 새로운 도전에 대응해야 함
 - 효율적이고 지속가능한 방법으로 충분하고 적절한 식량공급을 하는 것이 주요한 도전임

- 농업의 다원적기능을 보호·증진해야 함

23. 스위스(WT/GC/W/261, '99. 7. 20)

제안

- 협상은 농업의 다기능적 특성을 충분히 고려하는 가운데 농업협정에 규정된 농산물 교역의 개혁과정을 계속하는 것을 지향해야 함

배경

- 스위스는 농업협정에 위임되어 있는 대로 개혁과정을 계속할 용의가 있음
- 두 가지 강조할 사항으로
 - 개혁과정은 점진적으로 이루어져야 함
 - 농업의 다원적 기능은 널리 인식되어 있으며 협상의 근본적인 요소가 되어야 하고, 농업협정 20조도 차기협상에서 NTC를 충분히 고려할 것을 요구하고 있음
 - 선진국과 개도국을 막론하고 점차 많은 나라들이 그와 같은 다원적 농업정책을 채택하고 있음
 - NTC에 부여하는 중요성과 비중은 각 국의 특수한 상황과 국민들의 의식수준에 따라 다를 수 있음
 - 특히 허용보조 조치를 확대하는 방법 등 NTC를 충분히 반영할 수 있는 방법을 찾아야 함
- 스위스 입장에서는 식량안보, 분산되어 있는 농촌인구의 필요에 부응하는 것, 환경과 경관 보호 등이 농업정책이 해야 할 중요한 일임.

24. EU(WT/GC/W/273, '99. 7. 27)

농업협정 20조에 위임된 바에 따라 농산물협상이 진행되기를 기대함

- 지원과 보호의 점진적이고 상당한 감축, 이행경험, 개도국 우대, 공정하고 시장지향적인 농산물교역체제의 수립, NTC를 조건으로 규정

- 농업 관련 쟁점은 SPS, TBT, TRIPs 분야에서도 나타나고 있음

□ 농업협정 중 협상대상이 되는 영역 4가지

- ① 농업협정중 구체적인 조치들이 조정이 필요한지 여부
- ② 시장접근, 수출 지원, 보조감축 약속 등 무역관련 주요 쟁점
- ③ NTC, 특히 농업의 다원적 기능, 식품안전과 품질, 환경 및 동물복지를 지키기 위한 정책
- ④ 개도국 우대조치

□ ①은 신속한 협상진행을 생각할 때 대대적인 검토가 필요하지도 않고 바람직하지도 않음.

- 특히, ① Blue Box와 Green Box는 회원국들이 농업에 대한 지원을 줄이고 가격지지도로부터 보다 투명하고 무역을 왜곡하지 않는 정책으로 옮겨가는 데 있어 중요한 요소로 남아 있어야 함, ② UR협상 결과를 이행하는 데 있어서와 마찬가지로 차기협상의 결과를 이행하는 데 있어서도 법적 안정성을 보장하는 것이 중요하므로 평화조항은 유지되어야 함, ③ SSG는 일반적인 긴급수입제한조치에 자주 의존하지 않고도 수입가격 급락이나 수입물량 급증에 대처할 수 있는 수단으로 지난 협상의 본질적인 구성요소였고, 다음 협상에서도 비슷한 조항이 있어야 함

□ ②에 대한 EU 입장은 Agenda 2000에 근거를 둘 것임

- 주요한 농산물 수출국으로서. 단일수입기관에 의한 수입 등 TRQ 관리방법에 대한 규범의 명확화, 정당하지 않은 비관세 장벽의 제거 등을 통해 시장확대의 이익을 누리는 데 동참할 것임.
- 동시에, 농업협정 20조에 나타나 있듯이 농산물 무역장벽의 축소과정은, 어떤 분야는 다른 분야에 비해 더 진전되어 있는데, 근본적인 개혁으로 귀결될 지속적인 과정으로 보아야 하며 차기협상에서 완결될 수 있는 것은 아님
- 수출에 대한 지원감축은 모든 지원조치가 똑같이 취급된다면 협상을 해 나갈 것임.

- 즉, 수출신용에 대한 규범을 도입한다는 UR 협정의 약속이 존중되어야 한다는 의미
- 덜 투명한 수출지원조치, 특히 단일수출기관과 특혜적인 신용조건에 의한 식량원조 제공도 만족스러울 만큼 다뤄져야 함
- 보조금 감축은 Blue Box와 Green Box가 적절한 형태로 유지된다는 조건하에서 협상할 용의가 있음

□ ㉔의 쟁점은 ①농업의 다원적 기능, ②식품안전과 품질, ③동물복지임

① 농업의 다원적 기능

- 무역관련 이슈의 진전으로 인해 농업에 고용된 사람들의 공공재, 특히 환경 관련(사막화 방지를 포함) 및 농촌지역의 활력 유지와 관련된 공공재를 생산할 수 있는 능력이 손상되어서는 안 됨. 무역에 대한 영향이 없거나 최소한인 직접 지원조치(Direct aid measures)가 이런 맥락에서 중요한 역할을 함.

② 식품안전과 품질

- 이 문제로 인해 농업은 SPS 및 TBT 논의와 관련됨. 최근의 WTO 판정은 회원국들이 결정한 안전수준을 확보하기 위한 비차별적이고 과학에 근거한 조치가 협정에 합치된다고 한 바 있음. WTO가 안전성에 대해 정당한 우려가 있는 제품을 강요하는 데 쓰이지 않는다는 것을 확신시켜 줄 수 있도록 이 점을 보다 일반적인 방법으로 확인해 준다면 유용할 것임.
- 품질과 관련해서는, TRIPS에 대한 어떤 재검토를 통해서든, 품질에 대한 명성이 지리적 원천과 관련되어 있는 제품에 대한 보다 나은 보호를 제공하는 것이 중요한 관심사항임

③ 동물복지

- 동물의 사육조건에 대한 공중(public)의 관심이 높아지면서 많은 회원국들이 이러한 정당한 도덕적 요구를 충족시키기 위해 보다 구체적인 조항들을 만들게 되었음. 따라서, 다자차원에서 이 문제를 다루는 것이 점차 중요하게 되었음. 복지수준과 관련하여 합의될 수 있는 어떤 다자적 협정에 맞는 무역관련조치를 WTO 규범에 수용하기 위한 합

의가 도출되어야 함.

㉔ 개도국 우대조치

- 이 문제는 물론 농업보다 광범위한 쟁점임. 그러나, 개도국 경제에 있어 식량과 농업이 갖는 높은 중요성을 감안할 때 농업협상에서 상당히 중요하게 다루어져야 하는 문제임. EU의 경우 GSP와 Lome 특혜 조치에 의거 좋은 시장접근기회를 제공하고 있음. '99년 6월 2일 제안서(WT/GC/W/195)에서 설명한 것처럼 추가적인 조치를 취할 의향도 있음

25. 체코·헝가리·슬로박(WT/GC/W/285, '99. 7. 27)

제안

- 장관들은 관세의 추가감축 방법과 기타 관련 약속을 만듦에 있어, 회원국들이 향후 농산물협상의 틀 안에서 유효시장개방(effective market opening) 수준의 차이를 다룸으로써 이 차이를 좁히고 모든 회원국의 이익의 균형을 확보하기로 약속한다는 데 동의함.

배경

- UR협상은 농산물교역 관련 협상의 전환점이 되었음. 처음으로 비관세 장벽을 관세로 전환하고 이를 양허하였으며, 합의된 방식에 따라 상당 수준 감축하기로 결정되었음
- 그 결과, 시장접근이 개선되고 무역기회가 확대되었음. 그러나, 회원국들이 약속한 유효시장접근 수준간에 차이가 여전히 계속되고 있음. 예를 들면 국경보호수준, 실행세율과 양허세율간의 차이, 교역량 가중평균과 단순평균 관세율간의 차이, 고율관세(tariff peaks), 높은 계절관세, TRQ의 운용과 SSG의 범위 같은 문제가 남아 있음.
- 지속적인 농업분야의 개혁과정에서 상당수준의 점진적인 보호수준의 감축이라는 장기목표를 달성함에 있어 전체적인 균형이 이루어질 수 있도록, 관세감축 및 다른 시장접근에 대한 구체적인 약속을 만듦에 있어 현재의 격차들이 다루어지고 좁혀져야 할 것임.

26. 미국(WT/GC/W/286, '99. 7. 27 : 수출경쟁)

□ 제안

- 농산물 수출경쟁분야 협상의 목표
 - 농업협정상 규정된 모든 수출보조를 완전히 철폐하고 향후 금지
 - 수출보조 규범 우회조치들에 대한 규범을 명확화
 - 수출국영무역기업(STEs) 운영의 투명성 제고 및 STE의 독점행위(가격정책, 교차보조, 저가수출)에 대한 규범 강화
 - 때때로, 왜곡적인 방법으로 부과되는 수출세 사용의 종결
- 합의된 바에 따라 특정기한까지 수출경쟁의 협상을 위한 구체적인 방법에 대한 제안 제출, 수출경쟁에 대한 포괄적인 계획을 제출

□ 제안

- 농산물에 대한 수출보조금은 농산물 교역과 환경에 상당한 부정적인 영향을 미쳐 왔음. WTO의 일반규범과 가장 크게 배치되는 제도인데 인정되어 왔음.
 - 지금까지 대부분의 WTO 회원국들은 연도별 수출보조 감축약속을 물량 및 금액기준으로 지켜왔으나, 일부 국가들은 감축약속을 우회하는 수단을 개발하여 왔음
- 수출보조 감축약 속의 우회로 인해 수출보조에 대한 규범이 손상을 입었음. 국영무역기업의 수출행위는 수출보조에 대한 9조와 10조의 적용을 받지만, 감독하기가 어렵고 비상업적인 목표를 지원하는 행동도 하고 있음. 국영무역기업은 종종 수출에 대해 독점적인 통제권을 갖고 있고, 때로는 국내조달에도 독점적인 통제권을 행사하여 개인무역업자는 누릴 수 없는 잇점을 갖기도 함
- 일부 나라는 재정수입을 얻기 위해 합법적으로 수출세를 사용하기도 하나, 수출세는 특히 공급이 딸리는 시기에 세계시장에서의 농산물에 대한 접근가능성을 제한하기 위해 사용되어서는 안 됨. 국내공급 관리 차원에서의 수출세 사용을 금지하면 다른 나라의 식량안보에 대한 우려가 해결될 수 있고 농산물가격 변동도 적어질 것임

27. 미국(WT/GC/W/287, '99. 7. 27 : 시장접근)

□ 제안

- 시장접근 분야 차기협상의 목표는 시장접근기회의 개선을 최대화하고 모든 회원국의 관세양허구조를 보다 일률적으로(uniform) 만드는 것임. 회원국들은 이런 목표를 달성하기 위해서는 다양한 접근방법이 필요하며 적절한 modality가 개발되어야 함.
 - 관세율을 낮추고 양허. 무세화를 포함하여 검토
 - TRQ 품목의 시장접근기회 확대
 - 실행세율과 양허세율간의 격차 축소
 - 복잡한 관세제도를 단순화
 - 관세제도 운영의 확실성과 투명성 제고
 - TRQ 관리방법, 수입국영무역의 투명성과 경쟁에 대한 규율 강화
 - 다양한 방법을 통한 최빈개도국에 대한 시장접근기회 확대
- 합의된 바에 따라 특정기한까지 농산물 시장접근 분야 협상을 위한 구체적인 방법에 대한 제안 제출
- WTO 사무국에 시장접근위원회와 농업위원회를 통해 회원국들의 협상을 지원할 수 있도록 data profile과 분석을 요구

□ 배경

- 너무 많은 나라의 너무 많은 품목이 관세가 지나치게 높음. 이로 인해 UR협상에서 이루어진 진전에도 불구하고 농업분야에는 실질적으로 WTO의 규범이 적용되지 않고 있다는 위협을 받고 있음
 - 양허세율보다 낮은 관세가 적용되지만 복잡하고 투명하지 않으며 차별적인 것으로 보이는 관세체계하에서 운용되는 경우가 있음
 - 양허세율을 낮춤으로써 실행세율과 양허세율간의 격차를 없애 시장 접근기회를 개선·확대해야 함
- TRQ관리는 수입국에게는 매력적이고(challenging) 수입국들에게는 어려움을 주는 것으로 드러났음. 현재의 규범은 TRQ 관리에 대해 적절한 지침이나 원칙을 제공하지 못하고 있음.

- 독점적인 수입기관은 몇 가지 방법으로 무역을 제한하거나 왜곡할 수 있음
- 추가적인 시장접근을 위한 협상을 지지함.

28. 미국(WT/GC/W/288, '99. 7. 27 : 생명공학 농산물 교역에 영향을 미치는 조치)

□ 제안

- 차기협상의 목적에는 생명공학농산물의 교역이 투명·예측가능하고 시기적절한 과정(timely process)을 바탕으로 이루어지도록 하는 것도 포함됨

□ 배경

- 생명공학이 비용을 줄이고 수확량을 늘리고 식품과 섬유의 특성을 개선해 왔기 때문에 최근에 생명공학 농산물의 생산과 교역이 극적으로 늘어나고 있음
 - 보다 유익한 특성을 가진 생명공학 농산물이 더 많이 상업화되고 농산물 교역에 대한 보호와 지원이 줄어들면서 이러한 경향이 더욱 심화될 것임
 - 충분한 농산물생산을 통해 세계의 수요를 만족시키는 것 뿐 아니라 공정하고 시장지향적인 농산물교역체제를 만들어 가기 위해서도 생명공학 농산물에 대한 의사결정이 투명하고 예측가능하며 적시에 이루어지는 것이 중요함
- 생명공학 농산물의 교역이 광범위하게 이루어진 것은 국제무역에 있어 비교적 새로운 현상임. 그러나, 이러한 무역과 관련된 기본적인 논의는 WTO의 틀 내에서 이미 다루어지고 있음.
 - 예를 들면, 농업협정에는 일정한 기간에 걸쳐 농업에 대한 보호와 지원을 상당 수준 점진적으로 줄여 나감으로써 세계농산물 시장의 제한과 왜곡을 시정하고 예방하며 비관세장벽에 대한 구체적인 규범을 수립하는 장기목표가 선언되어 있음.
 - 보다 일반적으로 WTO 협정들은 농산물에 대한 무역제한을 줄이고

모든 조치들이 투명하고 불필요하거나 자의적인 무역장벽을 만들지 않아야 한다고 못박고 있음

- 이러한 목표들은 생산자의 이익(시장에서의 공정경쟁), 소비자의 이익(투명성과 드러난 위험을 막기 위한 보호를 보장)에 부합하는 것임

29. 미국(WT/GC/W/290, '99. 7. 27 : 국내보조)

제안

- 무역왜곡적인 보조는 상당수준 감축해야 하고 모든 생산과 관련된 지원들이 규범의 적용을 받도록 보다 강력한 규칙이 마련되어야 함. 기준에 근거한 Green Box는 무역을 왜곡하지 않는 방법으로 농업을 지원할 수 있도록 유지되어야 함.
- 합의된 바에 따라 특정기한까지 국내보조 분야 협상을 위한 구체적인 방법에 대한 제안 제출, 국내보조에 대한 포괄적인 계획을 제출

배경

- 정부가 그렇게 하기로 했다면 농민을 지원할 권리가 있음. 그러나, 지원은 생산과 무역을 최소한으로 왜곡시키는 방식으로 제공되어야 함.
- UR협상에서 무역왜곡적인 지원은 줄여야 하며 차기협상에서 이러한 개혁과정을 계속해야 한다는 데 합의가 되었음
 - 동시에 부속서 2에 포함된 기준(Green Box)을 통해 회원국 경제에서 농업이 하고 있는 중요한 역할을 인정하는 가운데 무역에 대한 왜곡을 최소화할 수 있는 적절하고 정당한 지원을 농민들에게 할 수 있게 되었음
 - 이러한 협상의 결과는 허용보조 조치가 적절하게 구체화된 정책의 사용을 통하여 보조와 생산수준간의 관계를 최소화한다는 중요한 목표를 달성할 수 있게 보장하고 있음

30. 루마니아(WT/GC/W/318, '99. 9. 15)

배경

- 농산물협상은 농업협정 20조에 따라 다음과 같은 요소를 고려하면서 개혁과정을 계속 진전시켜 나가야 함
 - 감축약속의 이행경험, 약속의 세계농산물교역에 대한 영향, 비교역적 기능, 개도국 우대조치, 공정하고 시장지향적인 농산물교역체제의 수립이라는 목표, 농업협정의 장기목표 달성을 위해 필요한 추가적 약속

□ 시장접근

- UR협상 결과 나타난 관세에 의한 보호수준을 감축하여 특히 개도국과 이행과정에 있는 나라에 대한 시장접근을 개선해야 함

□ TRQ 관리

- 회원국들이 매우 다양한 TRQ 관리방법을 사용하고 있는데, 일부 방법은 TRQ 약속의 예측가능성과 투명성을 저해하는 경우가 있으므로 동질적인(homogenous) 투명하고 예측가능한 TRQ 관리절차가 개발되어야 함.
 - 그러한 시스템은 공정하고 공평한(fair and equitable) 시장접근을 목표로 해야하며 모든 회원국들에게 동등한 접근기회를 보장하고 TRQ를 투명하지 않은 방법으로 배분하는 것을 막아야 함

□ 국내보조

- AMS, 허용보조 기준, de-minimis 수준같은 국내보조의 구성요소를 비롯한 현재의 국내보조 분류체계는 UR협상에서 나름대로 근거를 갖고 만들어 졌음
- 협상목적 중의 하나는 국내보조 조치를 보다 명확하게 잘 정의하여 WTO회원국들별로 특성이 있는 다양한 농업정책유형이 계속되고 공존할 수 있도록 하는 조치를 찾아내고 포함시키자는 합의를 도출하는 것이며, 이행과정에 있는 나라들이 필요로 하는 것에 특별한 관심을 기울여야 함
- 발전과 시장경제로의 이행과정의 어려움에 잘 대처할 수 있도록 de-minimis 수준을 10% 이상으로 높여야 함

□ 수출보조

- 수출보조의 감축을 계속해야 함. 중소규모 농업생산을 계속하는 회원국들이 수출보조를 계속할 수 있는 권리를 인정함으로써 농업을 유지·발전시키고 식량안보 문제에 대처할 수 있도록 하여 보완관계에 있는 농산물수입에 충당할 수 있는 소득을 얻을 수 있도록 해야 함

□ 비교역적 기능

- 비교역적 기능은 농산물협상 목표의 본질적인 부분이며, 다른 무엇보다 식량안보, 지속가능한 농촌발전, 농촌지역사회의 유지를 포함해야 함. 이러한 기능은 대부분의 WTO 회원국들에게 공통적으로 중요함.

□ 개도국 우대조치

- 농업협정 전문과 20조에 나타나 있듯이 개도국 우대조치는 개혁과정의 본질적인 구성요소임
- 개도국들이 진정한 혜택을 받고 건전한 개발정책을 펼칠 수 있도록 개도국 우대조항이 보다 잘 명확하게 정의되어야 함

□ 제안

- 농산물협상은 개도국과 이행과정에 있는 나라의 특수한 관심사항을 고려하고, 많은 비교역적 기능의 존재를 인식하는 가운데 추가적인 시장접근약속, TRQ 관리방법에 대한 동질적인 규범, 수출보조와 국내보조의 감축을 통해 농산물무역의 개혁과정을 계속해야 함
- 협상결과는 모든 회원국들이 받아들일 수 있고 공평한 균형있는 약속을 포함해야 함. 그 결과가 어떤 회원국이 중립적이고 다자적인 체제로부터 사실상 집중적인 혜택을 받도록 허용해서는 안 됨. 그렇게 되면 다른 회원국이 협상에서 얻을 이익이 침해될 수 있음
- 협상결과는 공정하고 시장지향적인 농산물무역체제를 수립하는 데 기여해야 함. 이미 합의된 목표에 맞게, 농업지원과 농업개혁과정에서 경제적 어려움을 겪고 있는 수입국, 특히 개도국과 이행과정에 있는 회원국들에게는 수출국들이 수출보조를 지급하고 있지 않은 품목에 대해서만 합의된 관세감축을 하도록 허용해야 함

30. 한국(WT/GC/W/70 : 농업협상전반)

1. 제안 배경

- WTO 농업협정 제20조에서는 차기협상의 고려요인으로 그간의 보조 및 보호감축 이행경험, 농산물 교역에 미친 영향, 농업의 비교역적 기능(NTC), 개도국에 대한 특별대우 등을 명시적으로 규정하고 있음.
- 한국은 국내적으로 많은 어려움속에서도 UR 협상결과를 충실하게 이행하여 왔음. 이러한 협정 이행경험과 불리한 농업여건을 가진 식량순수입국의 입장을 기초로 하여 차기 농산물협상에 대해 우리 입장을 제안함.

2. 제안 내용

□ 기존 농업협정의 토대 위에서 일관성 있는 개혁 지속

- 농업협정 제20조에 규정된 농업개혁작업을 지속적으로 수행하기 위하여 기존 농업협정의 급격한 변화는 자제되어야 하며 협정의 중요한 요소들이 계속 유지되어야 함. 이와 같은 관점에서 특히 다음 항목들이 중요함
 - 시장접근분야 : 관세상당치(TE), 관세쿼타(TRQ), 특별긴급조치(SSG)등 관세화의 기본적 요소
 - 국내보조분야 : Amber(감축대상), Green(허용대상), Blue Box(생산제한계획하의 직접지불)의 기본 취지와 그와 불가분의 요소인 보조총액측정치(Total AMS), 설정기준, 최소허용치(De-Minimis) 등

□ 농업의 특성이 고려될 수 있도록 신축적이고 점진적인 개혁

- 현행 농업협정은 농산물 교역에 대해 규율을 제정한 것이나 각국의 다양한 농업여건 등 농업의 특성이 충분히 고려되지 않아 협정 이행과정에서 일부 국가들이 많은 어려움을 겪었음.

- 농업개혁을 수행하기 위해서는 모든 국가의 동참이 필수적이며, 개혁의 일관성이 유지되는 범위내에서 농업의 특성이 고려될 수 있는 신축적이고 점진적인 접근이 이루어져야 하며 함. 이와 같은 관점에서 신축성의 확대가 필요한 분야는 다음과 같음
 - 시장접근분야 : 관세감축, TRQ 관리방법
 - 국내보조분야 : Total AMS 감축, Green Box 분류기준 등

□ 농업의 비교역적 기능(NTC)과 개도국 특별대우의 강화를 통한 참가국 간 이익 균형

- 현행 제도는 농업의 비교역적인 기능과 소규모 생존농업사회의 여건을 충분히 반영하지 못함으로써 농산물 수출·입국간, 선진·개도국간 이익의 균형을 잃고 있으며 특히 수입국과 개도국의 어려움을 가중시키고 있음.
- 개도국과 수입국의 어려움을 완화하기 위해 다음 항목들이 고려되어야 함
 - NTC, 특히 농업의 다원적 기능, 식량안보 개념이 농업개혁 과정에서 충분히 고려되어야 함
 - 개도국 우대조치의 보다 효과적인 이행 방안을 강구되어야 하며, 이러한 목적을 달성하기 위한 정부역할의 중요성이 인정되어야 함.
 - 자의적인 수출통제에 대처하기 위한 규범 제정이 필요함.