

NORWAY'S VIEWS ON THE FRAMEWORK PACKAGE ON AGRICULTURE

Norway welcomes the contributions from the EC/USA and others.

Norway would underline the need to reconfirm in the framework to be established that non-trade concerns should be taken into account as provided for in paragraph 13 of the Doha Ministerial Declaration. Special and differential treatment for developing countries will be an integral part of the negotiations. The special concerns of least developed countries will have to be dealt with on a priority basis.

Norway offers this paper as a constructive input into the multilateral negotiating process and looks forward to further negotiations in order to agree on a framework document to be put to ministers in Cancún.

1. Domestic support

Reductions shall take place under the following parameters:

- 1.1. reduce the combined "amber box" (final bound levels) and "blue box" (the latter based on disbursements for fiscal year 2003) support measures in the range of []% - []%, where support to export oriented production shall be reduced more than production for domestic consumption.
- 1.2. there shall be no cap on and no reduction in the "green box."

Special and differential treatment:

As suggested by Brazil and others.

2. Market access

2.1. Norway can go along with a blended formula as follows:

- (i) []% of tariff lines subject to a []% average tariff cut and a minimum of []%; for these import sensitive tariff lines.
- (ii) []% of tariff lines subject to a Swiss formula coefficient [];
- (iii) []% of tariff lines shall be duty-free.

The allocations of tariff lines to the three categories and the application of the above formula with reduction numbers should provide sufficient flexibility to address sensitive products of members, which are closely related to non-trade concerns.

2.2. There shall be no cap on maximum tariffs nor TRQ expansion.

2.3. The use of the special agricultural safeguard (SSG) shall be available for all members during the reform process.

- 2.4. All developed countries will seek to provide duty-free access for at least []% of imports from developing countries, through a combination of MFN and preferential access. In this context LDCs shall have duty and quota free access.

Special and differential treatment:

Norway is prepared to show flexibility and supports that the UR formula should be the basis also for Developing Countries.

3. Export competition

3.1 Export subsidies:

- Members shall commit to eliminate over a [] year period export subsidies for the following products of particular interest to developing countries [...];
- for the remaining products, Members shall commit to substantial reductions in budgetary and quantity allowances for export subsidies, in the range of [] to [] percent of bound levels.

3.2 Export credits:

Members shall commit to reduce or to eliminate, over a [] year period, the trade distorting element of officially supported export credits through disciplines that reduce the repayment terms to commercial practice ([] months, commercial interest rates, etc.)

- 3.3 reductions of, with a view to phasing out, all forms of export support mentioned in 3.1 and 3.2 will occur on a schedule that is parallel in its equivalence of effect on export subsidies and export credits.
- 3.4. Additional disciplines shall be agreed in order to prevent commercial displacement through food aid operations, and state trading enterprises.

Special and differential treatment:

As suggested by Brazil and others.

4. Other issues

- 4.1 There shall be adequate flexibility between pillars. Members shall have the opportunity to make larger commitments in domestic support and export competition to compensate for less commitments in market access.
- 4.2. Non-trade concerns shall be properly addressed through flexibility in the Domestic Support and Market Access pillars.
- 4.3. The Peace clause shall be continued.
- 4.4. Implementation periods shall be negotiated with due regard to level of development. Newly acceded Members shall be given longer implementation periods.
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