
MINISTERIAL CONFERENCE
Fifth Session
Cancún, 10 - 14 September 2003

Original: English

**AGRICULTURE - PARAGRAPH 4 AND ANNEX A TO THE
DRAFT MINISTERIAL TEXT**

Communication from Bulgaria, Chinese Taipei, Iceland, Israel, Japan, Korea, Liechtenstein,
Norway and Switzerland

The following communication, dated 10 September 2003, has been received from the Swiss delegation on behalf of the above delegations.

The submission proposes changes to the Framework for Establishing Modalities in Agriculture (JOB (03)/150/Rev.1: Draft Cancún Ministerial Text and Annex A). The core issue of the submission is market access and this is of vital importance to the proponents.

Draft Cancún Ministerial Text

...

4. We reaffirm our commitment to the mandate on agriculture as set out in paragraph 13 of the Doha Ministerial Declaration. We take note of the progress made by the Special Session of the Committee on Agriculture in this regard and agree to intensify work to translate the Doha objectives into reform modalities. To this end, we adopt the framework set out in Annex A to this document concerning the further commitments and related disciplines on key outstanding issues on market access, export competition and domestic support as the basis for concluding the work in these areas. We direct the Special Session of the Committee on Agriculture to conclude its work on establishing modalities for the further commitments, including rules and disciplines, provisions for special and differential treatment and non-trade concerns being duly taken into account, by [...]. We agree that participants will submit their comprehensive draft Schedules based on these modalities no later than [...] and confirm that the negotiations, including related legal texts, shall be concluded as part and at the date of conclusion of the negotiating agenda as a whole.

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Annex A
Framework for Establishing Modalities in Agriculture

Participants reaffirm their commitment to the mandate on agriculture as set out in paragraph 13 of the Doha Ministerial Declaration. Participants recognize that reforms in all areas of the negotiations are inter-related and agree to conclude the work to establish modalities for the further commitments, including provisions for special and differential treatment and taking into account non-trade concerns as provided for in paragraph 13 of the Doha Ministerial Declaration, within the

timeframe specified in paragraph 4 of the Cancún Ministerial Text, on the basis of the following framework:

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Market Access

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2.1 The formula applicable for tariff reduction by developed countries shall be a blended formula under which each element will contribute to substantial improvement in market access. The formula shall be as follows:

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

2.2 New commitments on TRQs may be added to the above tariff cuts to reach an overall balance in concessions.

...

2.6 The formula applicable for tariff reductions by developing countries shall be as follows:

- (i) [...] % of tariff lines shall be subject to a [...] % average tariff cut and a minimum of [...] %. Within this category, developing countries shall have additional flexibility under conditions to be determined to designate Special Products (SP) which would only be subject to a linear cut of a minimum of [...] % and no new commitments regarding TRQs.

...

Other

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6. Subject to the provisions of the framework set out in paragraphs 1 to 5 above, the contributions Members have submitted so far, relevant parts of the Revised First Draft of Modalities and the related questions specified in the report of the Chairman of the Committee on Agriculture Special Session to the TNC (TN/AG/10 refers) will serve as reference documents for the further work on modalities, including with respect to the following issues of interest but not agreed: product-specific commitments in domestic support, terms of expansion/opening of TRQs, in-quota tariff rates, single desk export privileges, export taxes, proposals for flexibility for certain groupings, certain non-trade concerns, implementation period, sectoral initiatives, inter-pillar linkages, peace clause, continuation clause, GIs, and other detailed rules.
