

**Committee on Agriculture
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**SIXTH SPECIAL SESSION OF THE COMMITTEE ON AGRICULTURE
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Statement by Estonia, Latvia, Lithuania and Slovenia

G/AG/NG/W101 (Proposal by Norway)

Special Safeguard Clause (SSG)

Let me first thank Norway for its negotiating proposal and express our warm support to various thoughtful ideas Norway has put forward. Many of us, being geographically situated in the same region, understand very well the issues related to disadvantaged and unfavourable production conditions of Nordic agriculture. Our specific comments to this proposal will focus on one specific area - the area of market access.

As you may recall, at the end of the last year a group of numerous transition economies submitted their proposal on market access to the negotiating Session of the Committee on Agriculture. In this proposal transition economies outlined that the new negotiations in agriculture should recognize the high level of market openness of the transition economies and take into account tremendous vulnerability resulting from the transformation of their economies from centrally planned to market economies.

In this statement some of the transition economies would like to put forward an additional proposal, which will further elaborate on the specific measures needed to address the unique and temporary situation in agricultural sector of the transition economies.

Namely, I would like to share the considerations of some of the transition economies concerning the application of the Special Safeguard Measures.

As already pointed out in proposals by a number of Members, during the post-Uruguay Round period the Special Safeguard Clause (SSG) has proven to be a useful instrument that enables governments to mitigate unexpected sudden negative impact of implementation of the liberalization commitments in case of unforeseen fluctuations in the quantities imported or the import price. So far, the SSG has been considered only as an element of the tariffication package. As a result, not all of the Members had a possibility to have access to this measure, especially those who acceded to the WTO immediately before or after the conclusion of the Uruguay Round. Countries acceding to the WTO had also converted non-tariff measures, such as quantitative restrictions and non-automatic import licensing, to tariff-only measures as a part of their accession process to the WTO.

The new negotiations on agriculture shall examine the various aspects of application of SSG as a trade instrument alongside with other trade measures, which remain in the absence of possibility to apply SSG. The number of remaining measures to prevent unpredictable surges in imports or sharp reductions in import prices is very limited. The Members can resort to provisions of the WTO Agreement on Safeguards, under which much more trade-disruptive and longer lasting measures are permitted. Also, as a general picture of market access, Members are encouraged to maintain a higher level of actually applied import tariff as a preventive measure to mitigate effects of unforeseen sharp fluctuations of import prices or volumes.

The mechanism of SSG is transparent and predictable, due to the clarity of requirements for its application as well as the tariff levels to be applied. The mechanism, therefore, constitutes no obstacle to a smooth flow of trade.

The possibility to have access to SSG provisions will allow all Members to enter into new market access negotiations on sensitive agriculture products with a much higher degree of flexibility.

The countries on behalf of which I am speaking, support the proposals by numerous Members pointing out the need of the continuation of Special Safeguard Clause as a part of the tariffication package. We suggest that in parallel, the SSG clause can also be negotiated as a measure, which would allow addressing the specific temporary difficulties of agricultural sectors of transition economies.

In our view **transition economies** shall have the right to apply SSG for the limited number of products. Following the same practice of the Uruguay Round, the reservation to this effect shall be entered beside the products concerned in the relevant Member's Schedule.

The provisions of SSG shall remain in force for the duration of the reform process mentioned in Article 20 of Agreement on Agriculture.
