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CONSOLIDATED AFRICAN UNION/ACP/LDC POSITION ON AGRICULTURE

Communication from Mauritius

The following communication, dated 12 September 2003, has been received from the delegation of Mauritius.

The countries of the African Union (AU) and the African Caribbean and Pacific (ACP) and the Least Developed Countries (LDCs) have agreed on the following common negotiating positions on agriculture. These common positions draw from the various Ministerial Declarations adopted by the Groups as well as submissions made to the WTO and also from recent consultations here in Cancun.

The AU/ACP/LDC countries are concerned that the Draft Ministerial Text and the relevant Annex on agriculture fall short of the objectives envisaged in the Doha Declaration for further reform of agricultural markets. It is our view that further reform for agriculture should aim to attain the objectives as set out in the Doha mandate and that each Round of agriculture negotiations should aim at incremental reform, both in terms of value and rule-making. We stress that the "Framework", and the associated Modalities to be agreed upon, should address themselves fully on all the three pillars, in a balanced and equitable manner. We reiterate that, in accordance with the Doha mandate, S&D should be an integral part of all elements of the negotiations on agriculture.

Market Access

The Framework does not provide for meaningful tariff reduction by developed countries and hence does not address the issue of high tariffs, tariff peaks and tariff escalation. Furthermore, the proposed "blended formula approach" will allow developed countries to place the products with high tariffs under the "import sensitive category" and hence subject them to lower reduction commitments.

In this regard the AU/ACP/LDC countries call for:

- Improved market access for our agricultural products and for developed countries to reduce tariff peaks and tariff escalation;
- A programme to support the enhancement of supply capacities in the agricultural sector so as to take full advantage of market access opportunities;
- The setting of an overall target for tariff reductions by developed countries,

- Developed countries should address issues of non-tariff barriers, such as SPS and TBTs, as well as other market entry barriers,
- A more simplified and transparent tariff quota regimes that provide clear benefits to these countries;
- Bound duty free and quota free market access by developed countries for products of LDCs,
- No ceiling on level of maximum tariffs for developing countries,
- Self selection of special products,
- We reiterate the vital importance of long standing trade preferences for AU/ACP/LDC states and call on WTO members to provide for the maintenance and security of such preferences through flexible rules and modalities based on development needs. Accordingly, we call for the Framework on Agriculture to incorporate relevant proposals from the Harbinson Text as well as development of a compensatory mechanism to address erosion of preferences for these countries.
- The Draft Ministerial Text and its Annex have not fully taken into account a variety of developing and least-developed-country-specific concepts, such as the Special Products (SP) and Special Safeguard Measures (SSM), that are important to these countries. We insist that the proposed Framework on Agriculture should fully incorporate the proposals contained in the Harbinson's Revised First Draft Modalities.

Domestic Support

- All forms of trade-distorting domestic support measures by developed countries to be substantially reduced;
- The substantial reduction in the Amber and Blue Box measures, with a view to their phasing out and elimination;
- The capping of the trade-distorting element of Green Box support measures provided by developed countries;
- LDCs shall be exempt from reduction commitments under the Agreement on Agriculture.

Export Competition

- Substantial reduction of export subsidies, with a view to phasing out, within a specified period;
- In this regard, we welcome the proposal by the EC to eliminate subsidies on products of interest to African countries. In this respect these countries should be provided the leeway for self selection of products to benefit from this proposal, and have the scope for product diversification. We call on other developed countries to do like wise.

- The provision of appropriate differential treatment in favour of LDCs and NFIDCs in the development of disciplines on export credits as provided for in the Marrakech Decision.

Other Issues

- Food aid in emergency situations in these countries should be addressed. Furthermore, food aid should be continued to meet chronic food deficits and/ or development goals;
 - We reaffirm the Marrakech Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on LDCs and Net Food Importing Developing Countries and call for its speedy implementation.
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