19 August 2003

Joint Text by Dominican Republic, Honduras, Kenya, Nicaragua, Panamá and Sri Lanka

Agriculture

We propose the following approach on market access to guide negotiations on modalities, including provisions on special and differential treatment as required by paragraph 14 of the DMD. We reserve our right to further elaborate on the areas of domestic support and export competition at a latter stage.

1. MARKET ACCESS

The Doha declaration calls for "substantial improvements in market access." Negotiations should therefore provide increased access opportunities, in particular for the developing countries most in need and take account of the importance of existing and future preferential access for developing countries.

To achieve this, commitments shall be based on the following parameters:

1.1 The formula applicable for tariff reduction in 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 subject to a []% average tariff cut and a minimum of []%; for these import sensitive tariff lines market access increase will result from a combination of tariff cuts and TRQs.
(ii) []% of tariff lines subject to a Swiss formula coefficient []
(iii) []% of tariff lines shall be duty-free.

1.2 For the tariff lines that exceed a maximum of []% Members shall either reduce them to that maximum, or ensure effective additional market access through a request:offer process that could include TRQs.

1.3 In applying tariff reduction commitments, where the tariff on a processed product is higher than the tariff for the product in its primary form, the rate of reduction for the processed product shall be equivalent to that for the product in its primary form multiplied, at a minimum, by a factor of [].

1.4 The use of the special agricultural safeguard (SSG) remains under negotiation.

1.5 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.

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Special and Differential Treatment

1.6 The formula applicable for tariff reduction in developing countries shall be as follows:

(i) [] % average cut and a minimum cut of [] % per tariff line substantially lower and in no case more than half the reduction targets specified in 1.1 (i);
(ii) Developing countries shall not be required to expand tariff quota volumes. Neither will they be required to reduce the intra-quota tariff.

1.7 Having regard to their development, food/livelihood security and rural development concerns, developing countries shall have the flexibility to self-designate a [] % of tariff lines as Strategic/Special products, which shall be exempt from tariff reductions.

1.8 A Special Safeguard Mechanism (SSM) shall be established for use by all developing countries.

2. OTHER SPECIAL AND DIFFERENTIAL TREATMENT PROVISIONS

Provisions on special and differential treatment for developing countries shall be established as an integral part of all elements of the negotiations on the basis of the Chairman's Overview paper (TN/AG/6) of 18 December 2002 and the revised first Draft (TN/AG/W/1/Rev.1) of 18 March 2003 including in the areas of domestic support and export competition. In particular, the following elements shall constitute an integral part of modalities:

- Provisions under Article 6.2 of the Agreement on Agriculture shall be expanded
- Provisions under Article 9.4 shall continue.
- In accordance with paragraph 4 of the Decision concerning the possible negative effects of the reform programme on Least-Developed (LDCs) and Net Food-Importing Developing Countries (NFIDCS), appropriate provisions for differential treatment for these countries shall be included in the modalities related to agricultural export credits.

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