

**Committee on Agriculture  
Special Session**

**OTHER MARKET ACCESS ELEMENTS**

Cairns Group\* contribution

The following communication, dated 2 June 2006, is being circulated at the request of the Delegation of Australia on behalf of the Cairns Group.

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1. As agreed in the July 2004 Framework, the following issues, which are independent of other parts of the market access pillar, need to be included in modalities.

**Tariff quota administration and in-quota tariffs**

2. An effective TRQ system should not impede the flow of trade within the scheduled volume limit. However, poor administration of TRQs and high in-quota duties often make it difficult to fill TRQs.

3. This is why paragraph 35 of the 2004 Framework Agreement makes clear that the reduction or elimination of in quota tariff rates for all tariff quota lines and operationally effective improvements in tariff quota administration are important issues to be dealt with as part of modalities if Members are to fully benefit from market access opportunities under tariff rate quotas.

4. There is therefore a need for a set of generally applicable rules. Underfill of existing quotas is a particular problem that needs to be addressed. Detailed provisions on tariff quota administration, including on the special and differential treatment aspects, will need to be included in the modalities text.

5. On in-quota tariffs the following language is proposed for inclusion in modalities agreement:

"All in-quota tariff rates shall be eliminated during the implementation period for developed countries, including for sensitive products."

**Special Agricultural Safeguard (Article 5 of the AoA)**

6. The question of the special agricultural safeguard also needs to be addressed to ensure that Members are able to fully benefit from market access opportunities that result from the Doha negotiations.

7. The SSG was designed as a transitional mechanism during the Uruguay Round to assist the tariffication process. This transition is now complete and there is no need for a continuation of the SSG. Experience shows that some SSGs have become almost permanent access barriers, and due to this risk, SSGs need to be eliminated on all tariff lines into developed country markets.

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\* Australia, Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Guatemala, Indonesia, Malaysia, New Zealand, Pakistan, Paraguay, Philippines, South Africa, Thailand, Uruguay.

8. The following language is proposed for inclusion in the modalities.

"The Article 5 Special Safeguard shall be eliminated at the beginning of the implementation period for all tariff lines. Special and differential treatment for developing countries will be taken into account."

**Tariff Simplification**

9. The following language is proposed for inclusion in the modalities:

"All non-*ad valorem* tariffs will be converted to *ad valorem* terms and bound in this form".

**Tariff Escalation**

10. Tariff escalation will also need to be addressed as part of modalities, and we support various efforts made by other Members to operationalize this concept in modalities.
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