



**G-33 Statement
COA-SS Informal Open Ended
15 February 2008**

Thank you, Mr. Chairman. I am taking the floor on behalf of the Group of 33.

The G-33 would like to thank you, Mr. Chairman, for convening this Meeting and especially for your tireless efforts and hard work in delivering the Second Revised Draft Text Modalities for Agriculture.

It has been the G-33's fundamental position that our agriculture negotiations shall remain a "substance driven process". Moreover, no "self imposed calendar, topped down and non-inclusive approach" should be entertained in our collective efforts. Therefore, the G-33 fully supports your intention to facilitate another round of Room E negotiations next week.

As you have already mentioned before, Chair, our substance driven process shall take as long as it takes towards a point that a Draft Text Modalities for Agriculture is indeed mature in providing considerable comfort to all parties and Members, to move to another step or process. In other words, Chair, the G-33 views that we cannot enter into a horizontal process unless the majority of issues, with inclusion of SP and SSM, have been negotiated and agreed for all Members in the multilateral forum.

The G-33 reaffirms our disposition to engage in any negotiations which are based on a substance driven process and which would eventually address the paramount needs of all developing countries, including LDCs.

Mr. Chairman,

The G-33 is encouraged by how some of the draft text on SPs has been featured. The Group appreciates the incorporation of some G-33's architecture and positions on SPs in the draft text. Nevertheless, other important elements and options remain of great concern to the Group. For the G-33:

- On treatment, the whole principle of a zero cut treatment for SPs shall not be regarded as an option. It is a must and should not be attributed with square brackets. The percentage of zero cut for SPs shall be 8% of total agriculture tariff lines;
- The maximum cut that should be applied to any tariff line which is designated as SPs should be 12%;
- The Group's three graded approach remains the practical and workable solution to the treatment of SPs;
- It shall be clearly stipulated in an agriculture modalities text that there will no TRQ commitments and no tariff capping on SPs;
- Footnote 14 should not be put as a footnote, but shall be incorporated into the body text. Yet, the minimum number of SPs shall be 12%;
- Footnote 15 still represents a misleading notion on an appropriate architecture of the exchange mechanism from Sensitive Products to SPs, which developing countries are entitled to both of them. Moreover, a provision of an exchange mechanism from Sensitive Products to SPs shall be incorporated into the body text.

Mr. Chairman,

The G-33 continues to support your effort in finding the operable and more flexible solution for the SVEs and other beneficiary countries as well as RAMs.

Paragraph 124 shall be clarified in order to clearly state that the SVEs have the alternative of not applying the tiered formula, in order to designate as many tariff lines as they choose as SPs, provided that they meet the overall average cut of 24%. In addition, it should be clear that the SVEs will not be obliged to apply any minimum tariff cut per tariff line in general, and not only on SPs.

On paragraph 125, the G-33 appreciates and takes note of the certain flexibilities provided for RAMs in individual elements of SPs. The G-33 is currently still in the process of assessing the implications of these flexibilities and the Group is ready to further work with all Members to come up with a balanced outcome in this regard, which would fully address the particular concerns of RAMs.

Mr. Chairman,

The G-33 views the contents of the draft text on the SSM as extremely inadequate. The proposed architectures on the SSM would eventually and only provide a stringent, restrictive, burdensome, ineffective and non-operational mechanism for developing countries and LDCs. Moreover, the draft text on SSM has also suggested a new kind of differentiation of treatments among the developing countries. This is simply unacceptable. The G-33 would not accept any “reverse engineering of Special and Differential Treatment” between the SSM and existing or any possible revised SSG.

In short, the SSM shall be effective, more liberal, flexible, practical and operable than the existing including than any possible revised SSG. Be that the product coverage, triggers and the remedies. The SSM shall not be designed with layers and multiple of limitations for developing countries and LDCs to use, which in the end would only provide an ineffective mechanism. Furthermore, the SSM is a trade measure and shall be a permanent mechanism as long as there is abnormality and imbalances in the world trading system.

Mr. Chairman,

The G-33 has repeatedly made it clear that the Group's proposal on SSM remains on the table with a concrete and legal text based proposal. Along this line, the G-33 appreciates and supports the text in Paragraphs 129, 134, 135 and 139.

The G-33 has evidently been flexible, constructive and making significant movements. However, again Mr. Chairman, everyone should also acknowledge that no major movements or flexibilities have been demonstrated in other crucial agriculture issues, whether in the market access pillar or domestic support.

The G-33 had high expectations that a revised draft text on SSM would be somehow balanced, logical and operable. Yet, as it stands now – the draft text on SSM cannot be regarded to have accommodated these important aspects of a mechanism, which has been solely mandated for developing countries and LDCs as an integral part of Special and Differential Treatment.

Mr. Chairman,

The G-33 has called for a much more balanced draft text modalities for agriculture, within and among the three pillars. In particular, the G-33 calls for a fair and balanced solution with respect to SPs and SSM as an integral part of Special and Differential Treatment, with Sensitive Products and SSG.

To conclude Mr. Chairman, we should also take into account the fact that for most developing countries – it is deeply felt that we have been given very little time to analyze and digest the Second Revised Draft Text Modalities for Agriculture. This specific condition is what has transpired among G-33 Members. In order for all of us to experience a constructive and progressive discussion, the Group would also recommend Mr. Chairman, that our two important issues of SPs & SSM be taken up in the later parts of next week's Room E Meetings.

I thank you, Mr. Chairman.