



**G-33 Coordinator Talking Points on  
Special Products  
Room D Meeting  
4 July 2008**

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Thank you, Mr. Chairman,

I will be speaking on behalf of the Group of 33.

The G-33 views that since this perhaps would be the last Room D which will be convened by you Chair, the Group finds it necessary to re-emphasize certain elements on Special Products – that needs to be clearly and sufficiently reflected in the next Agriculture revised draft text.

On the architecture, the G-33 is of the firm view that the Group's proposal of a three grades approach remains the most appropriate and workable architecture. The zero cut treatment principle is a must and shall be part of the final outcome in the SPs modalities. It therefore represents the most fundamental element in SPs.

A two tier architecture, may perhaps be considered by the Group. However, only if there is an explicit zero cut treatment in the first tier with a comfortable number of SPs under the zero cut tier. Furthermore, only if in the second tier comprises

a reasonable and logical overall average cut lower than the cuts of Sensitive Products for developing Members. An overall average cut for SPs outside the zero cut tier, should be less than 10%.

Mr. Chairman,

The Group would also recommend that in terms of numbers or figures, the next revised draft text on SPs shall be reflected in a format of range of numbers, and most importantly shall be put in square brackets. For the G-33, this is highly essential to accurately reflecting the existing state of play.

The G-33 positions on the minimum entitlement of 12% and maximum entitlement of 20% within the hybrid approach as well as the 8% of all tariff lines for zero cut, is well known. The 20% maximum number of SPs is exclusive from the additional number of SPs to be transferred from the exchange mechanism. For the G-33, all these numbers should be appropriately reflected in the next revision of the agriculture modalities text. This would be the most and only constructive and balanced formulation to base further negotiations.

Having said that, for the G-33 - any range of numbers that would be provided in the next Agriculture revised draft text, shall also include the G-33's positions.

Mr. Chairman,

Let me now touch upon the other elements of SPs which shall also be part of the final outcome of SPs modalities. In relation to this, the G-33 would also remind Members that the Group's views, positions and concerns on SPs as contained in Job Document (08)/47 dated June 3, 2008 – remains on the table.

On the exchange mechanism, the exchange rate has been and is still open for negotiations. However, the suggestion of a differentiated treatment for converted SPs is unacceptable. All SPs, whether converted or not, are of the same standing and would receive the same treatment based on the graded or tier approach. Moreover, this exchange mechanism provision shall be part of the Sensitive Products options available for developing country Members and shall be reflected in the main body of the next revised draft text.

The G-33 would also expect that its consistent demand for no TRQ commitments, including change in in-quota tariff rates and no tariff capping on SPs would be clearly stipulated in the next revised draft text. Such provisions shall be available for Non-SVE's as well as SVE's SPs designations.

In the context of the provision for the SVEs, the G-33 has already stated that the Group welcomes the clarified language pertaining to the modalities applicable to the SVEs. It shall therefore remain as it is in the next revised Agriculture draft text.

Lastly, Mr. Chairman, with regard to the flexibilities for RAMs – the G-33 recommends that the specific provisions be reflected in the main body of the next revised draft text. SPs cuts for RAMs shall be one half less than the general SPs and that the maximum number of SPs available for RAMs shall be at least 1 percentage point greater than generally applicable.

I thank you, Mr. Chairman.