

EU NON-PAPER

NAMA: capturing progress made

Ministers:

- agree that a simple Swiss formula, applied on a line by line basis, will be used to achieve the objective of reducing, and as appropriate eliminating, tariff peaks, high tariffs and tariff escalation,
- recognise that tariff reductions or-elimination--shall- commence-from- bound rates after full implementation of current tariff concessions and that the application of the formula shall result in improved new, real market access through cuts in the currently applied rates.
- agree that for unbound tariff lines the basis for tariff reductions shall be the MFN applied rate in the base year plus (X), and that these tariff lines shall be bound after application of tariff reductions through the formula,
- agree that the quantitative aspects of the Swiss formula, of the flexibilities in paragraph 8, and of the treatment of unbound tariffs are closely interlinked and shall be negotiated and agreed in an integrated way.
- All non-*ad valorem* duties shall be converted to *ad valorem* equivalents on the basis of the methodology contained in (JOB(OS)166/Rev.1) and bound in *ad valorem* terms. We instruct Members with *non-ad valorem* duties who have not submitted their preliminary AVE calculations to do so by 1 February 2006 for multilateral review and verification.
- agree that participants with a binding coverage of less than 35% of tariff lines would be exempt from making tariff reductions through the formula, but will bind all tariffs at an average that does not exceed the overall average of bound tariffs for all developing countries after full implementation of current concessions,
- agree that LDCs are exempted from any reduction modalities, but that these members will endeavour to substantially increase their tariff bindings,
- reaffirm that all developed Members and to the extent possible advanced developing countries will offer tariff and quota free access to products originating in LDCs.
- agree that the Negotiating Group shall address in the next phase the specific needs and concerns of small economies.
- agree that the Negotiating Group shall continue its work on the sectors examined so far: apparel, autos/auto parts, bicycles, chemicals, electronics/electrical products, fish, footwear, forest products, gems and jewellery, pharmaceuticals and medical equipment, raw materials, sports equipment and textiles.
- agree that additional sectors could be considered in the future, according to interest expressed by Members, notably by developing countries.

- agree that the Negotiating Group shall work to determine, on a sector by sector basis, by [...], product coverage, end rates, appropriate provisions of flexibility for developing countries, and the appropriate level of participation or critical mass.
- agree that the results of these sectorial approaches will be incorporated within the final outcome of the negotiations.
- agree that the Negotiating Group shall work to reach a common understanding on specific means and measures to address the concerns of non reciprocal preference beneficiary countries.
- agree that on the basis of the progress achieved to date by the Committee on Trade and Environment in Special Session on paragraph 31(iii) of the Doha Declaration, the Negotiating Group will continue work with the CTESS to complete the identification of environmental goods and will establish modalities for the reduction or as appropriate elimination of tariffs and non-tariff barriers to these goods, in a manner consistent with the Doha mandate, by [...].
- acknowledge that the Negotiating Group has progressed in the identification, examination and categorization of non-tariff barriers, including for horizontal issues such as export taxes, export restrictions and remanufactured goods, as well as in vertical initiatives on automobiles, electronic products and wood products.
- agree that participants shall submit negotiating proposals on NTBs with indications of preferred solutions in February, 2006, with detailed textual proposals being presented no later than end March 2006.
- agree that negotiations on NTBs shall be concluded in parallel with negotiations on the reduction of tariffs.