

WORLD TRADE ORGANIZATION

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Negotiating Group on Market Access

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MARKET ACCESS FOR NON-AGRICULTURAL PRODUCTS

Joint Communication from Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Mexico, Panama, Paraguay, Peru, Uruguay and Venezuela

The delegations of Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Mexico, Panama, Paraguay, Peru, Uruguay and Venezuela requested, on 20 August 2003, that the following letter to the Chairman, dated 1 July 2003, should be formally circulated.

The delegations of Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Mexico, Panama, Paraguay, Peru, Uruguay and Venezuela would like to make a number of remarks concerning the Draft Elements of Modalities for Negotiations on Non-Agricultural Products, recently distributed by you as Chairman of the Negotiating Group on Market Access.

To begin with, we would like to thank you for the efforts you have made in trying to conciliate, in your document, the often diverging positions of different WTO Members. We consider that a number of elements in your draft could be taken as a basis for continuing our work of defining certain negotiating modalities that reflect the interests and concerns of all Members of the Organization.

However, the document contains two elements that are a source of concern for our governments, in that they raise problems with respect to the objectives and terms of the negotiating mandate. The first concerns the inequity of the treatment proposed for the different developing countries. The second concerns the issue of mandatory sectoral initiatives. We would like to put forward a few ideas concerning these two elements, and trust that you will give them due consideration.

We noted that on the one hand, your draft allows certain newly acceded Members differentiated coefficients for applying the tariff reduction formula, while on the other hand, it provides certain developing countries with the possibility of protecting their sensitive sectors by keeping up to 5 per cent of their tariff lines unbound.

At the same time other developing countries, such as the co-authors of this communication, which are not newly acceded WTO Members and have bound 100 per cent of their tariffs, are not seen as having a right to any flexibility. What we want is to ensure that through special and differential treatment, these needs are recognized on a horizontal and balanced basis for all developing countries.

As regards the second element, we believe that the sectoral approach should be voluntary and should be considered at a second stage, once Members have had the opportunity to evaluate the degree of liberalization and to measure its impact.

Similarly, we think that it would be difficult to find sectors that are of interest to all of the developing countries. Moreover, the negotiation of the products covered would probably result in lengthy discussions that would inevitably interfere with the time-limits for completing the negotiating mandate. Finally, the proposed tariff elimination would mean going beyond the tariff reduction resulting from the application of the formula.

We feel certain that you will give our concerns due consideration during the negotiations. If we have a proposal which offers the same initial conditions for all of the developing countries in applying the modalities to be agreed upon, its examination and discussion in our countries will be that much more feasible.

We are aware of the challenge facing us and we trust in your ability to achieve the consensus necessary to attain our objectives. We reiterate our commitment to contributing constructively to the Group's discussions with a view to achieving the concensus on which progress in the negotiations depends.

_____(signed)
Alfredo Vicente CHIARADIA
Ambassador
Permanent Representative of
Argentina to the WTO

_____(signed)
Gino POGGI BORDA
Counsellor
Mission of Bolivia to the WTO

_____(signed)
Luiz Felipe de SEIXAS CORREA
Ambassador
Permanent Representative of
Brazil to the WTO

_____(signed)
Alejandro JARA
Ambassador
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Chile to the WTO

_____(signed)
Hernando José GOMEZ
Ambassador
Permanent Representative of
Colombia to the WTO

_____(signed)
Ronald SABORIO SOTO
Ambassador
Permanent Representative of
Costa Rica to the WTO

_____(signed)
Francisco A. LIMA M.
Ambassador
Permanent Representative of
El Salvador to the WTO

_____(signed)
Hernán ESCUDERO M.
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Ecuador to the WTO

_____(signed)
Lucy MARTINEZ-MONT
Ambassador
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Guatemala to the WTO

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Eduardo PEREZ MOTTA
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Permanent Representative of
Mexico to the WTO

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Mission of Paraguay to the WTO

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Jorge VOTO- BERNALES
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Luis VELASQUEZ
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