

**SIXTH SPECIAL SESSION OF THE COMMITTEE ON AGRICULTURE  
22-23 MARCH 2001**

Statements by India

**G/AG/NG/W/102 (Proposal by India – concluding statement)**

1. On behalf of the Indian delegation, I would like to put on record its deep appreciation of the constructive observations made by various national delegations on India's proposals.
2. It is instructive to recall that the Agreement on Agriculture had its origin in the problems associated with market surpluses in a few developed countries while it is the spectre of food deficit which dominated public policy-making in most of the developing countries.
3. The vulnerability of income entitlements of the majority of their population in our countries stems from the uncertainties of their resource-starved agriculture sector. Any attempt toward hurried and unguarded integration of their economic structures with the segments of the global economy having access to high levels of institutionalized support and subsidies, is feared to pose a serious threat to the food security and livelihood of their farming communities. We are indeed happy that many delegations across the development divide have appreciated our concerns for food and livelihood security and the need for flexibility in State interventions in the developing world to free their peoples from dehumanising poverty and achieve their socio-economic priorities. Fear has gripped farmers in developing countries that unilateral liberalization may displace them from the domestic market, thereby exacerbating poverty, food insecurity and malnutrition. On the other hand we find markets in developed countries closed to our exports if not from high tariff walls then from still higher non-tariff walls.
4. In the light of comments made on our proposal, I would like to reiterate the importance in principle, of maintaining self reliance in food production for countries with a large population such as India.
5. A view has been expressed by some delegations that India's proposals are not specific enough on reciprocity. I wish there was a scope for reciprocity. While enough has already been said about the export subsidies, and domestic support in general and Blue Box in particular, which are maintained only by developed countries, there are also finer elements of inequity in the Agreement which I would like to refer to. Under Article 7.2 of the Agreement, only the major subsidisers of agriculture have the flexibility of targeting high domestic support to their sensitive products but those whose AMS is below *de minimis* levels can not enjoy such facilities and have to conform to *de minimis* levels for each product. I wish to state that the credibility of the reform process, to a large extent will depend on how far the developed countries will be able to reduce such imbalances and inequities. The mandated negotiations should be seen as redressing those imbalances rather than seeking reciprocity from developing countries.
6. I would also like to react to many comments made on our proposal to link negotiations on market access to domestic support and export competition. I would unequivocally say that to view market access in isolation is not acceptable to us. Market access is a function of domestic support and

export competition policies pursued by various countries. High levels of domestic support and export subsidies adversely affects the ability of developing countries in exporting products to those countries and also in the third country markets. Similarly to protect our farmers from unfair competition, we are not able to determine the levels of tariffs required to do so till we know very clearly what are the commitments made by high subsidizers in respect of domestic support and export subsidies.

7. In conclusion, I would like to reiterate that the responses to our written submissions have convinced my delegation that there is enough commonality in our collective perception of what needs to be done to move forward in our quest for establishing a level playing field in the international agricultural trade regime.

#### **G/AG/NG/W/101 (Proposal by Norway)**

We thank Norway for their comprehensive proposal specially for recognizing the challenges faced by the developing countries and the need for adequate flexibility in their policy designs to foster domestic agricultural production. Norway's proposals on Special and Differential Treatment for developing countries are quite realistic and we would once again thank them for their understanding.

Norway has made another attractive proposal that AMS should be divided into two categories: one in which AMS would be for products destined for domestic markets and the second would consist of support for export-oriented production. We look forward to working with Norway on the methods of operationalizing this concept.

We also appreciate Norway's proposal on disciplining export competition measures. Having said that, I would like to point out that Norway's proposals contain some strategies for maintaining trade-distorting high domestic support within agricultural sectors. For instance, the flexibilities proposed by Norway for pursuing their domestic support policies, including continuation of Blue Box as also of the Peace Clause, are only indicative of their desire to continue and perpetuate the trade distortions which exist in global agricultural trade. We wish to point out that these distortions cause more problems for developing countries than can be compensated through the special and differential packages.

#### **G/AG/NG/W/105 (Proposal by Morocco)**

We thank Morocco for a very useful proposal that has succinctly brought out the special characteristics of the agricultural sector in developing countries and the challenges faced by them. We fully support the fundamental principles on which the proposals have been made. The core elements of the proposal are very similar to our proposal. We therefore look forward to working very closely with Morocco in the next phase of negotiations.

We are awaiting in the long-term development of an undistorted trading system. The waiting time seems unduly long and at times frustrating. To tide over this seemingly unending phase, Morocco has clearly enunciated the need for identifying specific tools for use by developing countries to compensate for dumping currently faced by them. We fully share this view and would like to contribute extensively on this specific proposal in the next phase.

#### **G/AG/NG/W/106 (Proposal by Turkey)**

We thank Turkey for a comprehensive proposal. It points out that the credibility of the reform process will depend on how far the developed countries are prepared to reduce the imbalances and inequities in their agriculture sector.

Turkey's proposal on Market Access is that for some key agricultural products, developing countries should be exempted from reduction commitments. This idea is similar to India's proposal on food security box.

We share Turkey's views that for developed countries the *de minimis* clause is meaningless, in the context of already high domestic support and can therefore be eliminated.

We also support Turkey's proposals that for developing countries, *de minimis* should be applied on an aggregate basis and not on a product-specific basis.

On non-trade concerns, we share their view that though multifunctionality in agriculture is important, it should not be used as an escape clause by developed countries to avoid further liberalization in export subsidies, domestic supports and market access.

In short, we can support the Turkish Proposals in toto.

### **G/AG/NG/W/107 (Proposal by Egypt)**

Indian delegation wishes to compliment Egypt for presenting such a constructive proposal for accelerating the negotiating process. The proposal is also very comprehensive focusing on all aspects of AoA.

We are in full agreement with Egypt's call for substantial reduction in tariff and other barriers like specific duties, reference prices, minimum entry prices, variable levies etc., in developed countries. We also support their position with regard to greater flexibility for developing countries to re-evaluate and adjust their tariff scheduling to overcome negative effects of cheap subsidised agricultural imports.

We welcome their proposal for substantial reduction by developed countries in their domestic support as also for review of Annex 2 measures.

India supports Egypt's call for improving the S&D treatment for developing countries including providing greater flexibility to them to subsidize their agricultural exports consistent with Article 27 and Annex 7 of the Agreement on Subsidies and Countervailing Measures. We also look forward to working with Egypt in strengthening S&D provisions in the context of the three main pillars of trade liberalization for fuller integration of agriculture into the multilateral trading system.

### **G/AG/NG/W/130 (Proposal by Nigeria)**

The Indian delegation wishes to compliment Nigeria for presenting such a comprehensive proposal for taking the reform process further to improve the balance and effectiveness of AoA.

We are happy to note a great degree of commonality in the Nigerian and the Indian proposals and look forward to working together in removing the inequalities and inadequacies from the existing provisions of AoA.

We find the Nigerian proposals in regard to evolving disciplines on international market structures and competition in agriculture to ensure food security in developing countries very interesting. They have also made several positive proposals for bringing in greater transparency and exchange of information regarding market operations and for building up data banks on major players in the world food system.

India shares Nigeria's concerns on maintenance of food security in developing countries and fully supports its concrete suggestions for action in the new negotiations.

**G/AG/NG/W/136 (Proposal by Kenya)**

India welcomes the proposal tabled by the distinguished delegation from Kenya. It is gratifying to note the similarities in the analysis of the experience of implementation of WTO/AoA with Indian experience as brought out in our two proposals. The conclusions drawn by Kenya that the results of implementation of AoA have been disappointing - neither helping agriculture nor food security in developing world - are regrettably true. We also share their optimism that the new negotiations will take account of these concerns and restore symmetry, equity and fairness in the agricultural trade under the provisions of AoA.

India supports Kenya's proposal for the establishment of a development box which is analogous to India's proposal on 'Food Security Box'. We also join their call for complete elimination of all trade-distorting subsidies by the developed countries as also for abolition of 'Peace Clause'. We also look forward to discussing means of substantial improvements in market access of products of interest to developing countries as also for fundamental re-conceptualization of the composition of S&D provisions for achieving crucial developmental objectives in the process of trade liberalization.

**G/AG/NG/W/142 (Proposal by WTO African Group)**

We thank the African Group for their proposal. We fully empathize with the analysis of their situation as well as the remedies suggested by them to reduce distortions in the agricultural trading system.

For the sake of brevity, suffice it to say that we can support most of their analysis and look forward to working with them for pursuing these objectives in the negotiating process.

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