

**Joint Communication From The G-33, African Group, ACP, And LDCS
On Special Products And The Special Safeguard Mechanism**

The following communication, dated 10 May 2006, is being circulated at the request of the G-33, African Group, ACP, and LDCs.

1. The July Framework was explicit in its recognition that the balance in the negotiations under the Doha Work Programme will be achieved only when the modalities incorporate operationally effective and meaningful provisions for special and differential treatment for developing country Members. It recognized the critical importance of agriculture to the economic development of developing country Members and that they must be able to pursue agricultural policies that are supportive of their development goals, poverty reduction strategies, food security and livelihood concerns.

2. The Hong Kong Ministerial Declaration marked the first step towards evolving modalities in Special Products (SPs) and Special Safeguard Mechanism (SSM) agreed to in the July Framework. Primacy was accorded to the self-designation of Special Products guided by indicators based on the criteria of food security, livelihood security, and rural development needs. Developing countries would thus attune their selection of SPs with their domestic policies for food security, livelihood security and rural development needs. Regarding SSM, two separately applicable import quantity and import price triggers were agreed as the core of the modalities for the SSM.

3. In order to advance the discussions to an early conclusion, the G-33 has presented comprehensive proposals covering each facet of the modalities for SPs and SSM. The African Group, ACP, and LDCs support meaningful modalities to secure simple and operationally effective instruments of SPs and SSM, which is also the spirit in which these proposals have been presented by the G-33. Given the diversity of agricultural systems among the countries represented in the G-33, African Group, ACP and LDCs, by necessity these proposals seek to address their common concerns.

4. Suggestions and proposals made recently by some overtly export-oriented Members of the WTO require the standard of substantial market access improvements to apply to both SPs and SSM. Further, they seek to limit the scope of the SSM to the extent that the mechanism becomes inoperable and to restrict SPs to a handful of tariff lines. These proposals have thus necessarily invoked serious concern among the G-33, African Group, ACP and LDCs. These countries together account for the vast majority of people dependent on agriculture for livelihood and of the global labour force/employment in agricultural activities. These four groups also contain within them the bulk of rural and urban poor in the world for whom access to food at fair and affordable prices remains at the heart of poverty alleviation programmes. The interlinked and complex criteria of food security,

livelihood security and rural development cannot be viewed through the filter of export interests of a few developed and developing country Members. The negotiating mandate cannot now be redefined.

5. Studies by eminent research bodies across the world confirm that reduced tariff protection in developing countries, including under structural adjustment programmes, have been the primary cause of import surge, with attendant decrease in employment in agricultural activities, lowering of returns to farmers, and increased levels of poverty in rural areas. The absence of income and insurance safety nets compounds their problems leading to desperate and irreversible, actions by the afflicted farmers. These studies conclude that the SSM must be simple, operable, and effective, and that price triggers are as effective as volume triggers depending upon the emergency they seek to address. Equally, for SPs, the studies conclude that the appropriateness of the number of SPs and their treatment is clearly linked to the characteristics of the agricultural sector of the designating developing country and the policies designed to meet the three agreed criteria. Some other studies make it evident that modalities of SPs and SSM aimed squarely to address these legitimate concerns of their proponents will in no way undermine the export interests of the export-focused developed and developing country Members. There is no justification for their alleged fears and apprehensions regarding these instruments.

6. The G-33, African Group, ACP, and LDCs could not be expected to join consensus on any package on agriculture unless their food security, livelihood security and rural development needs are accommodated effectively and comprehensively through the commitments called for from them in the market access pillar, in particular the tariff reductions, SPs and SSM.
