

# WORLD TRADE ORGANIZATION

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**COUNCIL FOR TRADE IN GOODS**

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## **SINGAPORE MINISTERIAL CONFERENCE: FURTHER INDUSTRIAL TARIFF NEGOTIATIONS**

The following communication, dated 17 July 1996, has been received from the Permanent Mission of Australia.

### **Introduction**

Australia submitted a paper on the built-in agenda of the WTO for discussion in the Director-General's informal Heads of Delegation consultations on the Singapore Ministerial Conference. It was agreed at the Heads of Delegation meeting of 10 June that elements of the Australian paper should be taken up in the relevant WTO bodies. Since one of those elements concerned industrial tariffs, Australia proposes that the Goods Council consider the issue of industrial tariffs and non-tariff measures in the context of the future work programme of the WTO.

### **Background**

The built-in agenda comprises commitments to monitor and review Uruguay Round agreements and to negotiate further liberalization in some areas. It provides a future work programme for the WTO. It has been widely accepted in discussions on the agenda for the Singapore Ministerial Conference that the built-in agenda should be a principal focus of the Ministerial Conference.

The built-in agenda includes commitments to resume negotiations in important areas of market access, namely agriculture and services. These commitments are embodied in the Agreement on Agriculture and the General Agreement on Trade in Services. They mean that negotiations in these areas will resume from the beginning of the year 2000. But the built-in agenda does not include any commitment to further negotiations in the area of trade in industrial products.

Australia believes that the omission from the WTO's work programme of negotiations on industrial tariffs was an oversight, resulting from the fact that the Uruguay Round did not produce a covering agreement on industrial tariffs similar to the agreements produced on agriculture and services. We do not believe that the inadvertent omission of industrial tariffs from the built-in agenda indicates the intent of WTO Members to sideline issues related to industrial tariffs. Tariffs and non-tariff measures continue to represent significant barriers to market access.

### **Proposal: Further tariff negotiations and post-Singapore preparatory work**

To remedy this situation, Australia proposes that a recommendation be put to Ministers at the Singapore Ministerial Conference for agreement that broadly based negotiations on industrial tariffs

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begin at the same time as negotiations on agriculture and services, at the beginning of the year 2000. Australia notes that this is not a new proposal. Others have expressed the view that there should be a commitment to commence further broadly based tariff liberalization negotiations at the appropriate time.

Australia emphasizes that it is not seeking to re-open existing agreements on industrial tariffs. Our intention is to ensure that the future work programme of the WTO is balanced and that it reflects the interests of all WTO Members. We believe that balance is best achieved by ensuring that the future agenda of the WTO results in comprehensive multilateral negotiations in which all Members of the WTO are able to pursue their principal market access interests, whether in industrial products, services or agriculture.

Australia also proposes that preparatory work for future negotiations in industrial tariffs be undertaken either by the Goods Council or the Market Access Committee starting in 1997 after the Singapore Ministerial Conference. Such work would be in line with the preparations that we believe should be undertaken for elements of the existing built-in agenda. A work programme could encompass information-gathering and analysis of issues, including policy options, related to negotiations.

Agreement by Ministers at the Singapore Ministerial Conference that the WTO undertake such preparatory work would ensure that industrial tariffs are not overlooked at Singapore. It would ensure that if, as proposed by Australia, negotiations begin in 2000, they begin in good earnest and are not delayed by preparatory discussions that would need to take place before the negotiating process began.

As we have indicated, non-tariff measures can also be a barrier to market access. Exporters world-wide continue to find that this is the case. Moreover, as tariffs have continued to fall as a result of multilateral negotiations in the WTO as well as unilaterally in regional fora, non-tariff measures have become ever more exposed as potential or actual barriers to trade. Such measures are dealt with in the WTO Annex 1(a) agreements. Consideration of non-tariff measures in these bodies could perhaps also be relevant to a work programme leading to future negotiations on industrial tariffs.

To summarise, Australia is proposing that a recommendation be put to the Singapore Ministerial Conference to:

- begin industrial tariff negotiations in 2000 at the same time as further negotiations in agriculture and services; and
- mandate the Goods Council or the Market Access Committee to undertake preparatory work for such negotiations from 1997.