

G10 Declaration on the State of the DDA/Agriculture Negotiations

1. The G10 reaffirms its commitment to work for a successful conclusion of the Doha Development Round. To reach that end, we urge all Members to move across the board, including the three pillars of Agriculture and all other areas of the negotiations, in order to come up with a comprehensive and balanced outcome.
2. Any outcome should be based on the Doha Declaration, the July 2004 Framework and the Hong Kong Declaration. To step back from these agreed texts would increase the chances of failure.
3. As an important stakeholder in the agriculture negotiations the G10 is ready to contribute actively and in a constructive manner towards equitable solutions to all issues.
4. The G10 takes note of the various bilateral and plurilateral contacts presently taking place at several levels. The G10 has also held a number of consultations with different groupings.
5. Nevertheless, a successful and balanced outcome can only be achieved through a multilateral process which involves and takes into consideration the needs and concerns of all Members in an inclusive and transparent manner. We cannot accept a solution which the G10 has not been involved in.
6. Our main priorities in market access are as follows:
 - a. G10 will not accept tariff capping
 - b. Due consideration should be given to G10's inequitably heavy burden in tariff reductions, especially in the upper band, resulting from its specific tariff structures.
 - c. TRQ expansion for sensitive products should be;
 - based on deviation from the formula, not on the level of AVEs
 - determined under the principle of less than full compensation with no core expansion
 - adjusted in accordance with the degree of import penetration
 - d. Given that tariff structures, sensitivities and non-trade concerns vary across Members, the number of sensitive products cannot be arbitrarily set, but must reflect the situation of each Member.
7. Developmental aspects should be a main priority in the DDA negotiations. The G10 supports legitimate needs of developing countries, especially importing developing countries, for SP and SSM.
8. The G10 recalls that there is a gradation in the level of ambition for each pillar. On export subsidies and similar instruments, the ambition is highest: elimination. For trade-distorting domestic support, we agreed

to substantial reduction with a harmonising effect. This is the second highest level of ambition. The third is market access, where the objective is a substantial improvement. This graduation simply reflects the political realities faced by the Membership as well as the stage agriculture has reached in the history of the multilateral trading system. It would be unrealistic to strive for a deal that would ignore this reality.

9. The G10 understands that a possible “breakthrough” should include certain elements in the area of Domestic Support. In this regard, we foresee (i) effective cuts in total AMS and overall trade-distorting domestic support, and (ii) additional criteria on Blue Box payments.
10. An equitable solution requires flexibilities from all sides. We have our flexibilities and we expect the same from our partners. This will ensure comparable “landing zones” for all Members.

21st March 2007