

*Agriculture  
negotiations*

4. We reaffirm our commitment to the mandate on agriculture as set out in paragraph 13 of the Doha Ministerial Declaration and to the Framework adopted by the General Council on 1 August 2004. We take note of the report by the Chairman of the Special Session on his own responsibility (TN/AG/21, contained in Annex A). We welcome the progress made by the Special Session of the Committee on Agriculture since 2004 and recorded therein.
5. On domestic support, ~~we note in particular that there is a working hypothesis that there will be three bands for developed countries for reductions in Final Bound Total AMS and in the overall cut in trade-distorting domestic support with higher linear cuts in higher bands.~~ *In both cases, the Member with the highest level of permitted support will be in the top band, the two Members with the second and third highest levels of support will be in the middle band and all other Members, including all developing country Members, will be in the bottom band.* In addition, developed country Members in the lower bands with high relative levels of Final Bound Total AMS will make an additional effort in AMS reduction. We also note that there has been some convergence concerning the reductions in Final Bound Total AMS, the overall cut in trade-distorting domestic support and in both product-specific and non product-specific *de minimis* limits. *Developing country Members with no AMS commitments will be exempt from reductions in de minimis. Green Box criteria will be reviewed in line with paragraph 16 of the Framework, inter alia, to ensure that programmes of developing country Members that cause not more than minimal trade-distortion are effectively covered.*
6. ~~We recall our agreement to agree to develop detailed modalities that ensure the parallel elimination of all forms of export subsidies and disciplines on all export measures with equivalent effect by a credible end date [2010] [by x years after implementation].~~ We note emerging convergence on some elements of disciplines with respect to export credits, export credit guarantees or insurance programmes with repayment periods of 180 days and below, ~~as well as on some aspects of exporting state trading enterprises, and on some elements regarding the disciplines on food aid necessary to eliminate commercial displacement.~~ *We agree on the principle of self-financing for such programmes. The period should be of credible duration so as not to effectively circumvent real commercially-orientated discipline. In order to ensure that trade-distorting practices of STEs are eliminated, disciplines relating to exporting STEs will extend to the future use of monopoly powers. These disciplines will ensure that such powers cannot be exercised in any way that would circumvent the direct disciplines on STEs on export subsidies, government financing and the underwriting of losses. On food aid, we reconfirm our commitment to maintain an adequate level. To this end, a "safe box" for bona fide food aid will be provided to ensure that there is no unintended impediment to dealing with emergency and chronic situations. Beyond that, we will ensure elimination of commercial displacement. To this end, we will agree effective disciplines on in-kind food aid, monetization and re-exports so that there can be no loop-hole for continuing export subsidization. The disciplines on export credit, export credit guarantees or insurance programmes, exporting state trading enterprises and food aid will be completed by end-March 2006 as part of the modalities. The date above for the elimination of all forms export subsidies will be confirmed only upon the completion of the modalities.*

7. On market access, we note in particular the progress made on *ad valorem* equivalents and that ~~there is a working hypothesis for four bands for structuring tariff cuts.~~ *We adopt four bands for structuring tariff cuts. [...] On sensitive products, we agree that the greater the deviation from the tariff reduction formula the greater the increase in tariff quotas.* We also note that there have been some recent movements on the designation and treatment of Special Products and elements of the Special Safeguard Mechanism. *Developing country Members will have the flexibility to designate [x%] of tariff lines as Special Products based on the criteria of food security, livelihood security and rural development. The special safeguard mechanism will be tailored to the particular circumstances and needs of developing country Members. It will be further refined on the understanding that its application will be based on import quantity [and price] triggers. Special Products and the Special Safeguard Mechanism shall be an integral part of the modalities and the outcome of negotiations in agriculture.*

8. On *other elements of special and differential treatment*, we note in particular the consensus that exists in the Framework on several issues in all three pillars of domestic support, export competition and market access and that some progress has been made on other special and differential treatment issues.

9. However, we recognise that much remains to be done in order to establish modalities and to conclude the negotiations. Therefore, we agree to intensify work on all outstanding issues. In particular, we are resolved to establish modalities no later than [...] and to submit comprehensive draft Schedules based on these modalities no later than [...].