



Committee on Agriculture

REVIEW OF THE OPERATION OF THE BALI DECISION ON TRQ ADMINISTRATION

REPORT BY THE CHAIRPERSON TO THE GENERAL COUNCIL

Addendum

1.1. The General Council at its special meeting on 15 December 2021 agreed to an exceptional extension of the deadline for a decision on the future operation Paragraph 4 of the Underfill Mechanism until 31 March 2022. The Committee on Agriculture accordingly continued its deliberations in 2022 on this issue.

1.2. At its reconvened 100th regular meeting on 29 March 2022, the Committee reached consensus on the draft decision contained in Annex to G/AG/32 and agreed to transmit the draft decision (as attached herewith) to the General Council for its consideration and approval pursuant to paragraphs 13-15 of the Bali TRQ Decision (WT/MIN(13)/39).

Attachment

The General Council,

Having regard to paragraph 1 of Article IX of the Marrakesh Agreement establishing the World Trade Organization (the "WTO Agreement");

Noting the Ministerial Decision of 7 December 2013 on Understanding on Tariff Rate Quota Administration Provisions of Agricultural Products, as Defined in Article 2 of the Agreement on Agriculture (WT/MIN(13)/39-WT/L/914) dated 11 December 2013 (hereinafter referred to as the "Bali Decision on TRQ Administration");

Recalling the recommendations of the Review of the operation of the Bali Decision on TRQ Administration in Annex 2 to G/AG/29 approved by the General Council at its meeting on 9-10 December 2019;

Recognizing that paragraph 1 of the aforementioned recommendations and the subsequent extension approved by the General Council at its special meeting on 15 December 2021 set the deadline of 31 March 2022 for a decision on the future operation of paragraph 4 of Annex A of the Bali Decision on TRQ Administration;

Conducting the functions of the Ministerial Conference in the interval between meetings pursuant to paragraph 2 of Article IV of the WTO Agreement;

Decides that:

1. Paragraph 4 of Annex A of the Bali Decision on TRQ Administration shall be read as follows:

4.a. The importing Member shall then promptly provide unencumbered access via one of the following tariff quota administration methods^{5,6}: a first-come, first-served only basis (at the border); or an automatic, unconditional license on demand system within the tariff quota. In taking a decision on which of these two options to implement, the importing Member will consult with interested exporting Members. The method selected shall be maintained by the importing Member for a minimum of two years, after which time – provided that timely notifications for the two years have been submitted – it will be noted on the Secretariat's tracking register and the concern marked "closed".

4.b. Developing country Members may choose an alternative tariff quota administration method or maintain the current method in place. This choice of an alternative tariff quota administration method shall be notified to the Committee on Agriculture under the provisions of this mechanism. The method selected shall be maintained by the importing Member for a minimum of two years, after which time, if the fill rate has increased by two-thirds of the annual increments described in paragraph 3(b), it will be noted on the Secretariat's tracking register and the concern marked "closed". At the request of an interested Member, the provisions under paragraph 4(a) shall apply if after the two years the fill rate has not increased at least by two-thirds of the annual increments described in paragraph 3(b). If no request is made, the concern shall be marked as "closed".

2. Henceforth, paragraphs 13-15 of the Bali Decision on TRQ Administration, along with Annex B, are rendered non-operational.

⁵ The actions and remedies taken by the importing Member shall not modify or impede the rights of a Member holding a country-specific allocation for that tariff quota with respect to their country-specific allocation.

⁶ In the event of a conflict, the specific provisions on tariff quota import arrangements specified in the importing Member's Schedule of Concessions shall prevail to the extent of the conflict.