

MARKET ACCESS FOR NON-AGRICULTURAL PRODUCTS

Trade liberalisation of fish and fish products

*Communication from Canada, Iceland, New Zealand,
Norway, Panama, Singapore and Thailand*

Addendum

The following communication, dated 18 May 2006, is being circulated at the request of the delegations of Canada, Iceland, New Zealand, Norway, Panama, Singapore and Thailand.

I. INTRODUCTION

1. As explained in the previous communication of 18 November 2005 (TN/MA/W/63), full liberalisation of import tariffs on fish and fish products would have considerable benefits for developing countries and for WTO members in general. A sectoral initiative for fish and fish products therefore would respond in a meaningful way to the mandate agreed at Doha for negotiations which aim to reduce or as appropriate eliminate tariffs, including the reduction or elimination of tariff peaks, high tariffs and tariff escalation, as well as non-tariff barriers, in particular on products of export to developing countries.

2. Fish and fish products are a key export for developing countries. In 2003, for example, the value of exports of fish and fish products from developing countries exceeded the combined total net value of exports of coffee, cocoa, bananas, rubber, sugar, tea and rice. 95% of employment in the fish sector is located in developing countries. Fish and fish products are also highly traded product with more than 40% of world production entering global trade. While 50% of the world's fish exports originate in developing countries, a handful of developed countries account for close to 80% of world imports. Major developed countries will therefore need to participate in order to bring to fruition a sectoral initiative that clearly meets the mandate's requirement to reduce or eliminate market access barriers on products of export interest to developing countries in particular. Tariff escalation, high tariffs and tariff peaks are all particularly prevalent for fish and fish products. In many markets, tariffs on processed products remain very high, and are, in practice, prohibitive thereby limiting the development of this industrial sector. Discussions on liberalising market access on fish and fish products have consistently attracted wide participation, including from a large number of developing countries.

3. Taking into consideration:

- the Doha Declaration's mandate for the "reduction or elimination of tariff peaks, high tariffs, and tariff escalation...in particular on products of export interest to developing countries";

¹ This document was previously circulated as JOB(06)/132 + Add.1 + Add.2.

- the direction from Ministers at Hong Kong to “review proposals with a view to identifying those which could garner sufficient participation to be realized”; and
 - the input received from a range of Members in the previous months as outlined in TN/MA/W/63;
- the following proposal is made for the consideration of all Members.

II. MODALITIES

4. With a view to moving towards the objective of comprehensive elimination of all tariffs and unjustified non-tariff barriers affecting fish and fish products, modalities could include the following aspects.

5. Product coverage: With a view to addressing tariff escalation in particular, it is proposed that the product coverage for this sectoral should be comprehensive and should therefore include all fish and fish products as follows:

HS Code	HS Description
HS 0509	sponges
HS 0511.91	fish unfit for human consumption
HS 03	fish and fish products
HS 1504.10	fish oil
HS 1504.20	fish oil
ex HS 1603	juices and extracts of meat and fish
HS 1604	prepared or preserved fish
HS 1605	prepared or preserved crustaceans and molluscs
HS 2301.20	fishmeal

6. Participation: Participation will be on a non-mandatory basis. Participation by Members that account for the vast majority of the world’s exports and imports of fish and fish products will be essential to achieving the initiative’s objectives. To date, interested members have proposed a ‘critical mass’ of countries representing [90] percent of world trade.

7. Implementation: The agreed commitments should be phased in as soon as practicable and no later than the final implementation date for tariff reductions resulting from the formula that will affect other non-agricultural goods.

8. Special and Differential Treatment: Interested members have proposed ‘zero for x’ and longer implementation periods as possible special and differential treatment for developing country participants. Developing country participants will either adopt the tariff value of x or the post-formula tariff value, whichever is the lower. Other proposals for Special and Differential Treatment provisions will be considered if put forward by participants.

9. Non-tariff Barriers: Fish and fish products also face a number of non-tariff barriers. The complexity and lack of transparency of these NTBs can be an additional burden to trading in fish and fish products, in particular for developing countries without the technical capacity to meet the various requirements. Thus far, there have been no proposals regarding specific non-tariff barriers that should be addressed as part of this sectoral.

III. NEXT STEPS

- It is proposed that modalities for this sectoral be established by the end of May 2006 or as otherwise agreed by participants.

- The results of this negotiation will be incorporated into each participating Member's draft schedule of commitments no later than 31 July 2006.
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