

## **Tunis Roadmap and Work Plan for the Post-July 2004 Negotiations Phase (Final Version)**

### **I. Introduction**

1. African trade negotiators and officials met in Tunis, Tunisia from 25 to 26 November. The meeting identified specific areas as listed below where further collaborative research was needed from regional and international organisations as well as from academic and research organisations that would allow Africa to positively contribute to the modalities stage of the negotiations leading up to the 6<sup>th</sup> Session of the WTO Ministerial Conference.

### **II. Agriculture**

2. **Market access:** The areas that require further work include:
  - a. A study to come up with an appropriate tiered formula that will take into account Africa's tariff structure and take into account their development concerns.
  - b. A study to identify Africa's special products, based on criteria of food security, livelihood security and rural development.
  - c. A study to formulate simple, effective and practicable SSM for Africa. Conduct further study to justify the volume and price trigger mechanism.
  - d. Identify African products that face tariff escalations and peaks, and the mechanism to address this issue in the market access pillar.
  - e. Long-standing preferences continue to play a key role in the economic development of many of African countries and their importance has been fully recognised. Therefore, a study is required to assess the impact of preference erosion on African's exports.
  - f. A study on unrestricted market access for Africa's agricultural exports.
  - g. Assess the impact of the "fullest liberalisation" for tropical products on preference receiving African countries and on special and sensitive products for African countries.
3. **Domestic support:**
  - a. An analysis of the choice of an appropriate base/reference period for Africa in the context of domestic support commitments;
  - b. Evaluation of the formula to be applied in reform of domestic support measures and implications for African economies;
  - c. Determination of ways to avoid box shifting and its implication for agricultural reforms;
  - d. Analysis of the criteria required for the review of the Blue box and the review and clarification of the Green box measures.

**4. Export competition:**

- a. An evaluation of the impact of elimination of export subsidies and its implications on African economies;
- b. An analysis of the role of state-trading enterprises in African economies including their important roles on food security and rural development. Identify the appropriate modalities to incorporate flexibilities including meaningful and operational special and differential treatment for African state trading enterprises.
- c. An analysis of the importance of single desk exporting STEs for African countries;
- d. An analysis of the impact of further agricultural reforms on NFIDCs and LDCs and identify ways of mitigating the negative effects that will arise, while taking into account the Marrakesh Decision on NFIDCs and LDCs.
- e. An analysis of the implications of export competition reforms on food aid.
- f. An analysis of the holistic dimension of food security in respect of African countries.

**5. Special and Differential Treatment:**

- a. A study to evaluate the effectiveness of the S&D component of the negotiations that will ensure development takes place in Africa.

**6. Cotton:** On cotton, the African countries recall the General Council decision contained in the July Framework-Agreement (WT/L/579), requesting an ambitious, expeditious and specific treatment of cotton, including the observance of coherence between trade and development aspects. While welcoming the setting up of the Sub-Committee on Cotton, the 19th of November 2004, there is the need to conduct a study on production and export related problems faced by the cotton sector in Africa, and on disciplines that could assist in reflecting the results achieved in the July Package on cotton in the modalities stage.

**III. Non-Agricultural Market Access (NAMA)**

7. The meeting emphasised the need to design a formula that ensures “policy space” for African countries industrialisation, provides for special and differential treatment and less than full reciprocity, take into account preference erosion while addressing the mandate of paragraph 16 of the Doha Declaration. The following issues emerged and would need to be addressed to help African countries in the negotiations:
  - a. An analysis of possible scenarios for the formula to be applied for further tariff reductions in NAMA, which provides policy space and flexibilities for African countries.

- b. The meeting requested for a study to assess and evaluate the potential impact of a sectoral approach on Africa's export markets;
- c. A study on how to incorporate flexibilities in NAMA that would address development aspects of African countries;
- d. A study is needed to help identify the non-tariff barriers (NTBs) facing African exports, their effects and propose ways to address them.
- e. A study to assess and evaluate the impact of trade liberalization on regional trade arrangements;
- f. A study on the potential impact on African economies of proposals submitted by WTO members on NAMA; and
- g. A study on the cost of adjustment to African economies of reforms proposed in NAMA.
- h. An analysis and evaluation of scope for unrestricted market access for Africa's exports in developed countries' markets in the context of broadly defined preferences.

#### **IV. Services**

- 8. It was recognised that African countries are facing difficulties in services negotiations due to inadequate capacities. Participants noted with concern the low number of African countries that have made request/ offers under the services negotiations. There was broad consensus that there are gains for African countries in developing their services sectors. The following are some of the issues, which will require further study and analysis:
  - a. Identifying the services sectors in individual African countries or at the regional levels that are of interest (e.g. tourism etc). Especially identify requests in the services negotiations that African countries in a region can prepare jointly given the asymmetry in the negotiating capacity among individual African countries.
  - b. African countries require assistance to identify condition that should be attached to their offers to ensure that any benefits from liberalisation accrue to them.
  - c. Conduct studies to identify sectors and modes of supply of interest to African countries, particularly, under mode 4, which has been shown to have potential for more gains. Clear proposals need to be put on the table on how Africa can obtain in the negotiations commitments under mode 4 that deal with African countries' concerns.

#### **V. Development Issues**

- 9. The Doha Declaration managed to reintroduce development issues to the fore of the negotiation agenda.

- a. A study is needed on how to mainstream the development dimension into the WTO, including fair trade, capacity building, flexible and balanced rules.
- b. Given the importance of special and differential treatment for African countries, the challenge is one of finalising the proposals currently on the table.
- c. Implementation-related issues and concerns are another important area of interest for Africa. Like the case of S&D provisions themselves, there is a challenge in relation to reviewing the many proposals and ensure immediate action on the implementation-related issues. Should Africa support an idea of setting up a single monitoring body on implementation issues?

## **VI. Trade Facilitation**

10. An important question from the July Package on Trade Facilitation is how African countries concerns with the human and financial resources burdens can be ameliorated. Specifically, the links of these resources burdens to TBTs, certification processes, etc., have to be clarified for African countries to be able to manage the issues of trade facilitation. The point for further clarification is the need for trade facilitation negotiations at the modalities to look beyond customs procedures.
  - a. A study on the needs and priorities of African countries, including flexibilities, S&D and cost of adjustments
  - b. The special and differential treatment provisions in the interest of African countries require to be clearly identified. Are the S&D issues clear and how can their provisions be locked in?
11. The participants welcomed the Tunisian Government planned Ministerial Meeting on Trade Facilitation to be held in 2005.

## **VII. Vote of Thanks**

12. The participants expressed sincere thanks to the Government and the people of Tunisia for hosting the meeting, for their warm hospitality and the excellent facilities they put at their disposal.
13. The participating countries thanked the United Nations Economic Commission for Africa (UNECA), UNDP, African Development Bank, and the African Union for organising the meeting in collaboration with UNCTAD, African Trade Policy Centre (ATPC), AERC, TWN, International Lawyers and Economists Against Poverty (ILEAP), the Southern African Trade Research Network (SATRN) and ENDA Tiers-Monde.