



**Negotiating Group on Market Access**

**NEGOTIATING GROUP ON MARKET ACCESS**

**REPORT BY THE CHAIRMAN OF THE  
NEGOTIATING GROUP ON MARKET ACCESS**

*7 December 2015*

1. After the WTO Ministerial Conference of December 2013 in Bali, work on NAMA restarted with Chair's consultations between February and July 2014 and three open-ended meetings of the Negotiating Group on 31 March, 9 July and 22 September 2014. Discussions came, however, to a halt in the second half of 2014 due to an impasse relating to the Bali Ministerial Decision on Public Stockholding for Food Security Purposes, which was eventually resolved at the end of November. In 2015, the Chair pursued consultations and open-ended meetings of the Negotiating Group on 2 March, 1 June, 23 July and 23 September. Further meetings took place in smaller formats convened by the Director-General, the Chair and individual Members. In September 2015 it became clear that a broad result in agriculture, including on domestic support and market access, would be extremely difficult to reach by MC10 in Nairobi. Under these circumstances, many Members' interest and engagement on NAMA diminished strongly.

2. In short, while following the Bali Ministerial Conference there was strong engagement by Members on NAMA in the first half of 2014 and the first half of 2015, this was not the case in the second half of these years.

3. The NAMA discussions over the last two years centred on the draft modalities Rev.3 text. Members either considered that these modalities provided an appropriate basis for continuing the negotiations, or, on the contrary, were of the view that they would not be conducive to success, as shown by past experiences. Many Members recalled that Rev.3 provided for specific solutions for individual and groups of Members, which should be preserved under any outcome. The NAMA discussions mostly focussed on the tariff side. Any progress on NTBs was perceived as elusive as long as Members did not advance with respect to tariffs.

4. As a central element, the NAMA draft modalities Rev.3 foresee a so-called Swiss Formula to reduce tariffs of developed and more advanced developing Members ("formula-applying Members"). The discussion was affected by the fact that some formula-applying Members did not have a mandate to move away from the Swiss Formula, while for others using a Swiss Formula was not doable. Notwithstanding this situation, alternative approaches to the Rev.3 Swiss Formula were explored on a non-prejudicial basis. An element that emerged in the course of the discussions and appeared acceptable to the membership was that LDCs and SVEs should, independently of the outcome, not be asked to do more than what was envisaged in Rev.3.

5. On 9 March 2015, Argentina submitted a proposal on a request/offer approach, circulated in JOB/MA/116. The Secretariat made a technical presentation on averaging of tariff cuts on 17 March 2015, and on 1 June 2015 Canada presented potential outcomes of averaging simulations undertaken for extracts of its tariff schedule. The ACP Group circulated papers (JOB/TNC/46 and JOB/TNC/50) containing elements pertaining to the NAMA tariff negotiations, and the SVEs did the same in their contribution (JOB/TNC/49).

6. In spite of these efforts, real progress on NAMA has remained elusive since the 9<sup>th</sup> Ministerial Conference in Bali. This seems notably due to a strong linkage between this negotiation and that in agriculture, in the broader context of the DDA undertaking. In particular, ambition in agriculture proved to impact ambition in NAMA, and ambition in NAMA would have had to be reflected in agriculture. For most Members, NAMA cannot be delivered on its own but only as part of a broader package with agricultural issues as a central part.

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