THE UNDERFILL MECHANISM OF THE BALI TRQ ADMINISTRATION DECISION

SUBMISSION ON BEHALF OF THE CAIRNS GROUP

The following submission, dated 23 May 2019, is being circulated at the request of the Cairns Group.

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1.1. The Cairns Group welcomes the review of the Understanding on Tariff Rate Quota Administration Provisions of Agriculture Products, as Defined in Article 2 of the Agreement on Agriculture, WT/MIN(13)/39 (hereafter "the Bali TRQ Decision").

1.2. The conclusion of the Bali TRQ Decision was an important achievement for WTO Members as part of the continuation of the reform process enshrined in Article 20 of the Agreement on Agriculture. The disciplines enshrined in the Bali TRQ Decision contribute toward minimising the trade hampering impact of some methods employed in TRQ administration.

1.3. As part of the review process significant discussion has taken place on the so-called underfill mechanism in Annex A and its application to Members.

1.4. The Cairns Group considers that the continuation of the underfill mechanism is important with respect to improving the utilization of WTO TRQs and ensuring that underfill is not the result of TRQ administration methods. A deeper discussion is however required on the application to Members of the underfill mechanism, as provided in paragraph 4 of Annex A. To be able to undertake such detailed discussion will require additional time beyond that scheduled for the current review.

1.5. The Cairns Group suggests that the following recommendations are made to the General Council:

   a. The timeframe outlined under Paragraph 14 of the Bali TRQ Decision for a decision on Paragraph 4 of Annex A shall be extended to the 13th Ministerial Conference;

   b. In the interim, the Committee will continue discussions on the application of paragraph 4, Annex A;

   c. The Committee will provide recommendations to the General Council with regards to the application of paragraph 4 within [two years/ by MC13].

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