

WORKING DOCUMENT No. 12

TARIFF SIMPLIFICATION

1. No tariff shall be bound in a form more complex than the current binding.
2. [At least [90] per cent of] All bound tariffs on agricultural products in a Member's Schedule shall be expressed as simple *ad valorem* tariffs.
3. This shall be effected no later than [three years after] the commencement of the implementation period. [At least [80] per cent of all bound tariffs in a Member's Schedule shall be expressed as simple *ad valorem* tariffs no later than the end of the second year of the implementation period.]
4. Compound tariffs, mixed tariffs, and the more highly complex forms of bound tariffs, such as complex matrix tariffs, shall be converted to *ad valorem* [or specific] tariffs no later than [no later than the end of the second year of the implementation period] the commencement of the implementation period.
5. The method for converting final bound non *ad valorem* tariffs into the *ad valorem* equivalents [or for converting final bound compound, mixed and highly complex tariffs into specific or *ad valorem* tariffs] shall be the unit value method [based on IDB import data using the most recent three-year period for which data is available] [based on the methodology to calculate *ad valorem* equivalents as set out in Annex A to TN/AG/W/3 of 12 July 2006].
6. Developing country Members making such conversions shall have an additional two years to achieve this outcome, if applicable. Least-developed country Members shall not be required to effect any such changes.
7. Tariff reductions shall be made on the basis of Members' bound rates pursuant to paragraph 29 of the Agreed Framework. Reductions on this basis shall remain the legally binding commitment until the point at which there is multilateral agreement on tariff simplification.
8. If that agreement is reached prior to the tabling of Draft Schedules, the Draft Schedules shall reflect that agreement. If there is no such agreement prior to the tabling of Draft Schedules, that scheduling shall be on the basis of Members' bound rates pursuant to paragraph 29 of the Agreed Framework, although Members may, in parallel, table also their proposed conversions. In that situation, however, it is the former draft scheduled commitments that shall remain the legally binding obligation until the point at which subsequent multilateral agreement is reached on the proposed conversions.
9. Should that agreement occur prior to the adoption of the Doha Round Final Act, the final Schedules attached to that Act shall reflect that conversion and shall be the legally binding obligation for the Members concerned. Should such multilateral agreement occur only after the adoption of Schedules in the context of the Doha Round final Act, the normal multilateral requirements and procedures for renegotiation, modification or rectification of Schedules shall apply in making the relevant tariff simplification.
10. In all cases of proposed simplification, Members shall supply supporting data that demonstrates that the proposed simplified bound tariff is representative of, and does not amount to any increase over, the original more complex tariff and in conformity with the agreed methodology. All Members shall be given sufficient time for evaluation of the proposed changes and all Members undertaking such a simplification shall respond constructively to queries made regarding those proposed conversions. Upon request, the WTO Secretariat shall provide advice on technical matters and shall give particular technical assistance to developing country Members.