

18. As a second step, to meet the commitments outlined above Ministers should agree to reduce, for the widest possible range of agricultural products, the aggregate monetary level of output-based support by 10 percent in each of 1989 and 1990. There would be an exemption from this requirement for countries in respect of commodities where the level of per unit output-based support is less than 10 percent.

19. Countries should have some flexibility in choosing how to achieve this commitment in developing early action packages. Ministers will need to consider the extent of this flexibility.

20. The packages to be agreed should encompass specific minimum adjustments to policy parameters embracing the most trade disrupting measures, focussing on:

- (i) undertakings to reduce export subsidies;
- (ii) increases in import access opportunities;
- (iii) reductions in administered prices;
- (iv) the maintenance of existing production control and acreage reduction programs; and
- (v) disciplines on stock disposals.

V DIFFERENTIAL AND MORE FAVORABLE TREATMENT FOR DEVELOPING COUNTRIES

21. The Cairns Group considers that the principle of differential and more favorable treatment, as embodied in the GATT and related instruments as well as in the Punta del Este declaration applies to all areas of its elaborated proposal. The general ideas advanced in the original Cairns group proposal should be agreed at the Mid-Term Review and elaborated, and their modalities for application defined, as the detail of transitional arrangements and the long-term framework is developed. Developing countries as a whole cannot be held responsible for the significant distortions in world markets. On this basis, and in recognition that longer time frames have been identified by the Cairns Group as one of the modalities for the application of differential and more favourable treatment, developing countries should be exempted from contributing to the first steps to long-term reform. Particular attention will need to be paid to the specific problems of the least developed among the developing countries.