

**PROPOSED ELEMENTS OF THE REDUCTION FORMULA  
FOR DOMESTIC SUPPORT FOR COTTON**

Communication from the Co-Sponsors  
of the Sectoral Initiative in Favour of Cotton

The following communication, dated 14 February 2006, is being circulated to Members and observers in advance of the informal open-ended meeting of the Committee on Agriculture in Special Session of 17 February 2006, and in advance of the meeting of the Sub-Committee on Cotton of 28 February 2006 at the request of the Co-Sponsors of the Sectoral Initiative in Favour of Cotton.

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**I. BASIS FOR THE PROPOSAL**

1. The Framework Agreement of July 2004 (Annex A, paragraph 4), and the Hong Kong Declaration (paragraph 11).

**II. LEVEL OF REDUCTION**

2. The level of reduction of domestic support for cotton shall be three times higher than that of the reductions to be made under whatever general formula is agreed for the reduction of domestic support in agriculture.

3. A correction coefficient **(c)** shall be introduced for cotton in relation to agriculture.

**III. REDUCTION TIME-FRAME**

4. The time period for the reduction of domestic support for cotton shall be one third of the period agreed upon for the reduction of domestic support in agriculture in general.

5. An index **(t)** shall be introduced for the adjustment of the time period for the reduction of domestic support for cotton.

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