



CAIRNS GROUP FARM LEADERS' LAHORE COMMUNIQUE 16 APRIL 2007

Farm leaders' from Australia, Canada, New Zealand, Pakistan and Paraguay met today in Lahore to discuss the long-running Doha Development Round of multilateral trade negotiations.

Farm leaders' remain disappointed that the negotiations have not yet been successfully concluded and are looking for strong political leadership to bring the Doha Round to a timely and successful conclusion that benefits the world's agricultural producers.

Independent analysts from leading global institutions such as the World Bank, the United Nations Food and Agriculture Organisation and the Organisation for Economic Cooperation and Development has shown there are substantial gains from removing barriers to agricultural trade. All major countries — both developing and developed — stand to gain from the comprehensive, across-the-board bold reductions in tariffs, domestic subsidies, export subsidies and the expansion of tariff-rate quotas. Most of the benefits come from removing barriers to trade at the border.

Accordingly, we reiterate the imperative that the Doha Round must be promptly and successfully concluded in a manner that delivers on the Doha mandate namely through:

1. Substantial improvements in market access by cutting tariffs deeply, with the highest tariffs being cut more deeply, and by expanding tariff rate quotas based on a domestic consumption formula to ensure commercially meaningful gains in market access;
2. Early elimination of all forms of export subsidies on all products by 31 December 2013 (agreed at the Hong Kong Ministerial Conference) with workable disciplines to ensure that food aid, government export credits and state trading enterprises do not circumvent gains from elimination; and
3. Real cuts to current expenditure on trade-distorting domestic production subsidies (not merely changes to accounting procedures) and the implementation of special initiatives.

Noting the spirit of the July 2004 Framework Agreement and the December 2005 Hong Kong Declaration, farm leaders urge Cairns Group Ministers to ensure the potential gains of any Doha agreement are not jeopardised by broad exceptions for 'sensitive' agricultural products, 'special' agricultural products or new 'safeguard mechanisms' and other devices such as the misuse of SPS rules that could allow commitments to be watered down. This would be unacceptable to Cairns Group farmers.

The Canadian Federation of Agriculture represents farmers from all sectors and all regions of Canada, and is therefore not in a position to endorse all of the views contained in this communiqué.

Trade reform, particularly in the area of agricultural market access, remains our top priority because it is a realistic and substantial way of addressing global poverty and allowing efficient farmers to realise their full and deserved economic potential. Reductions in trade distorting domestic support are also a key issue in these negotiations.

Cairns Group Ministers have an obligation to the farmers they represent to focus their discussions on concrete ways to conclude the Doha negotiations in the shortest possible timeframe. To this end, farm leaders believe the Lahore meeting of the Cairns Group offers an ideal and important opportunity for Ministers to demonstrate leadership on issues such as 'sensitive' and 'special' products and other technical issues.

Agriculture remains the key to the Doha Round, and we believe all WTO members must now focus on finding flexibility to bring these talks to a successful conclusion. In particular, farm leaders' believe developed economies must bring more to the table on market access and domestic support. In parallel, the United States must show leadership on the Farm Bill. The European Union must also be bolder on offering more on market access.

Leading developing economies must also make a contribution particularly by being fair and reasonable on issues like 'special products' and 'safeguard mechanisms'. This will benefit the growing south-south trade. Farm leaders note that the biggest losers from exceptions are urban and rural poor - who are net-purchasers of staple foods.

Recognising the diversity and different levels of development among WTO members, farm leaders support continuing technical assistance.

A limited agreement will not be acceptable or sufficient for the world's farmers. In concluding, we again underline and repeat our long-standing position that this Round will be judged by its success in levelling the playing field and creating real new commercial trade opportunities.

We urge our Cairns Group Ministers, who seek a truly liberalising outcome, not to weaken in their resolve. Farm leaders continue to stand ready to support you fully and we wish you well for your work over the coming days.