

**Cairns Farm Leaders Presentation  
to Cairns Ministers**

**Banff, Alberta, Canada  
October 11, 2000**

Farm leaders of the Cairns Group, which is comprised of 18 fair trading agricultural exporting countries, have come to Banff this week to discuss the key issues causing protectionism and discrimination in world agricultural trade. We have also come together to reconfirm our commitment to achieving a fair, equitable and open rules-based trading system for agriculture.

Collectively we represent millions of farmers in Latin America, Australasia, Canada, South Africa, Asia and the Pacific. The Cairns Group alliance is stronger and deeper than ever before. We as farmers, will be working alongside our governments, over the next few days and throughout the course of the WTO agriculture negotiations to accomplish meaningful reform to agricultural trade.

The present Agreement on Agriculture was a step forward in the liberalization of agricultural trade. For the first time, some enforceable disciplines have been applied to agricultural market access, export subsidies and domestic support. Nevertheless, there are great disparities between countries in the level of commitment and obligation. There still exist profound distortions which need to be addressed immediately.

Despite the failure to launch a comprehensive new round of WTO negotiations in Seattle, the WTO agriculture negotiations have been initiated. However, the integrity of these negotiations has been challenged by the continuing abuse of WTO principles and the maintenance and increase of subsidy and protectionism in some industrialized countries.

Agricultural trade rules allowing discriminatory practices and distorted world markets lead to low commodity prices undermining profitability and investment in our agricultural industries. We are disturbed by the recent trend of some developed countries to reinstate very high levels of domestic support and the continued use of export subsidies. These high support levels unfairly penalize efficient food producers, particularly those among our developing country members.

As Cairns Group Farm Leaders we are deeply committed to fair and equitable trade rules under the WTO, we must work together to ensure that countries can compete on a level playing field in international markets. We strongly encourage our governments over the next two days of meetings to identify the steps necessary to address the disparities which were not addressed in the Uruguay Round.

In Seattle we circulated a Statement which summarized the conclusions of the Cairns farm leaders. In that Statement we identified the types of disciplines and measures required to achieve our goal of a fair trading environment. We believe that the minimum requirements for an effective agricultural agreement include:

- vastly improved market access through substantial tariff reductions on products without tariff-quotas, improvements in the administration of tariff-quotas, and the elimination of non-tariff barriers;
- substantial reductions in amber support limits, elimination of the blue box and an overall cap on domestic supports with appropriate differential treatment for developing countries;
- the peace clause should expire as already agreed;
- tightening green box rules to ensure that only non-trade distorting programs are included in a non-countervailable green box;
- the total elimination of export subsidies and introducing effective rules governing the use of credits, food aid and export promotion programs to prevent these programs being used as export subsidies;
- the SPS Agreement should not be open to review in the forthcoming WTO negotiations. The core issue is to achieve effective compliance with the SPS Agreement. Trade in genetically modified foods is covered by the existing SPS Agreement and must continue to be covered under this Agreement;

- the TRIPS Agreement should not be opened to review. The creation of new protectionist measures, through expanded intellectual property rights, must be opposed;
- environmental, social and labour issues should be dealt with within the appropriate international bodies and must not be allowed to be used as barriers to trade.

We urge our Ministers to support endeavors to strengthen the capacity of the WTO so that it can effectively deal with these challenges and achieve a speedy and broadly acceptable outcome. The complementary role of other multilateral institutions in dealing with non-trade concerns is of major importance for such progress. We call on our governments to demonstrate their commitment to the critical roles of these institutions (e.g. ILO, IMF, UN).

These issues will be discussed later today at the Cairns Group Farm Leaders Seminar at which we hope many of you will join us.

Current income problems in the agricultural sectors of many countries are severely exacerbated by the trade distorting effects of the current subsidy and protectionist measures of some industrialized countries. Developing countries cannot achieve their potential in a market place dominated by the trade distorting practices of a few. The trade negotiating task before us is not easy, but it is imperative that we pursue our goals with determination and insist on results which will provide a fair production and trading environment for our farmers.

Cairns Group Farm Leaders support special and differential treatment for developing countries, to the extent that it will create vastly improved opportunities for them to fully participate in agricultural production and trade. Varying levels of development among countries needs to be taken into consideration.

The need is urgent! The negotiations must be completed within the three year time frame. The Cairns Group Farm Leaders call on our Minister=s to provide leadership to the rest of the world to move agricultural trade reform to a more transparent and non-subsidized rules-based system.

Signed by the leaders, or their representatives, of the following organizations:

Argentina

Sociedad Rural Argentina

Australia

National Farmers' Federation

Brazil

Confederacion Nacional da Agricultura

Canada

Canadian Federation of Agriculture

Colombia

Sociedad de Agricultores de Colombia

Costa Rica

Camara Nacional de Agrivultura y agroindustria

Guatemala

Agexpront

Indonesia

Indonesian Farmers' Association

New Zealand

Federated Farmers of New Zealand

Paraguay

Association Rural del Paraguay

Phillippines  
Federation of Free Farmers Cooperatives

South Africa  
South African Agricultural Union

Uruguay  
Association Rural del Uruguay