

CAIRNS GROUP FARM LEADERS'
STATEMENT TO CAIRNS GROUP MINISTERS
SATURDAY 19 OCTOBER, 2002



SANTA CRUZ, BOLIVIA

The Doha Round of negotiations is the 'opportunity of the century' to fix the on-going problem of support and protectionism in world agriculture. The vision for the Cairns Group countries is a world where an equitable and enforceable rules-based trading system in agriculture creates the opportunities for developed and developing countries to benefit from a sustainable agriculture sector.

Annual subsidies to farmers in Europe, Japan, Korea and the United States, among others, amount to over US\$310 billion. That is, farmers in these protected markets receive almost US\$1 billion a day. These subsidies impose large costs on agricultural producers in the Cairns Group. The success of the entire Doha Round depends on the political will to embrace a bold effort to address this problem.

Leaders of the main farmer organisations in the Cairns Group countries met yesterday to reaffirm their commitment to meaningful reform of world agriculture trade in the Doha negotiations. Protectionism in agriculture has persisted because little actual liberalisation was achieved in the Uruguay Round due to abuse of the system and serious deficiencies remain in the working of the Agreement on Agriculture. The principal deficiencies include an abuse of rules that govern spending in the "green box" and the fact that there is no effective limit on total spending and a lack of transparency. These high levels of spending and the disruptive effect of some food aid programs contribute to underdevelopment, high unemployment and instability in many developing countries. Globally, this is unsustainable.

This time around, the Cairns Group farmers are not willing to accept another limited set of outcomes and the deficiencies in the current agreement must be addressed. Success in the Doha Round will only be achieved if all WTO members are prepared to adopt bold and ambitious goals for agricultural trade reform.

The Cairns Group has submitted a comprehensive and far-reaching package of proposals on agriculture reform in the Doha negotiations. Cairns Group farmers support the nomination of a specific date for the eventual elimination of all tariffs and trade and production-distorting subsidies. As representatives of agricultural producers, we support the strengthening of the Cairns Group proposals on export subsidies, market access and domestic support. All three pillars should be progressed together, taking into account the special and differential requirements of developing countries.

We believe it is irresponsible of the European Union and Japan to have failed to place detailed proposals on the table. Worse, are recent suggestions by the European Union that concessions it might make in agricultural support would have to be reciprocated by concessions in the area of non-trade concerns. This is a blatant unilateral effort to

CAIRNS GROUP FARM LEADERS'
STATEMENT TO CAIRNS GROUP MINISTERS
SATURDAY 19 OCTOBER, 2002



SANTA CRUZ, BOLIVIA

re-write the agreed basis for the negotiations on agriculture. It was decided in Doha that non-trade concerns would not be part of the core negotiating objectives. Similarly, the recent US Farm Bill has had a dramatic impact on trade prospects for many agriculture producing countries. We therefore expect the USA to genuinely commit to substantial and progressive liberalisation, including elimination of trade-distorting domestic subsidies.

The attitude of WTO members that have failed thus far to live up to the spirit of the Doha Development Agenda is unacceptable to millions of farmers in the Cairns Group. Here in Bolivia and in other parts of Latin America, economic development and social stability are vital objectives of government. As ministers, your capacity to achieve that objective would be greatly enhanced by achieving an equitable environment for agriculture in the Doha negotiations. The need for agriculture policy reform to boost development in Latin America applies equally to developing countries in other parts of the world, especially in Africa and Asia.

Economic growth and social stability, improved prospects for the welfare of the poor, sustainable development, and such things as improvements in health care and education would be greatly enhanced by giving developing countries farmers more power in the marketplace and the opportunity to increase their production and expand exports of agricultural products. With political will it is in the hands of the rich countries to permit billions of the poor to join the world economy and improve their lives.

Sustainable development, protection of the environment and the responsible use of the world's resources is greatly enhanced by sensible economic policies such as freer trade in the spirit of the WTO. For long term protection of the environment there is no surer way to pursue this end than to promote economic growth through compliance with a rules-based system for international trade.

As leaders of producer organisations in the Cairns Group countries we pledge today to redouble our efforts to secure a bold and ambitious outcome for agriculture in the WTO. We are already one-third of the way into the most important negotiations this century for the long-term health of our agricultural producers and economies as a whole. Ministers should not let this opportunity be wasted by permitting the negotiations to extend beyond the proposed timeframe.

We know that you, as ministers representing our countries, are equally dedicated to this cause. We thank you for your continuing efforts on our behalf. The sooner you are successful the world will be a far better place. There will be less waste of the

CAIRNS GROUP FARM LEADERS'
STATEMENT TO CAIRNS GROUP MINISTERS

SATURDAY 19 OCTOBER, 2002

SANTA CRUZ, BOLIVIA



world's resources; more sustainable agriculture; the elevation of agriculture in developing countries and more prosperity and growth in rich and poor countries alike.

Argentina
Sociedad Rural Argentina

Australia
National Farmers' Federation

Bolivia
Confederación Agropecuaria Nacional

Brazil
Confederacion Nacional da Agricultura

Chile
Sociedad Nacional de Agricultura

CAIRNS GROUP FARM LEADERS'
STATEMENT TO CAIRNS GROUP MINISTERS
SATURDAY 19 OCTOBER, 2002
SANTA CRUZ, BOLIVIA



Costa Rica
Cámara Nacional de Agricultura

Guatemala
Comision de Negociaciones Comerciales Internacionales (CENCIT)

New Zealand
Federated Farmers of New Zealand

Paraguay
Asociación Rural del Paraguay

South Africa
Agri South Africa

Uruguay
Asociación Rural del Uruguay

Note: Canada, represented by the Canadian Federation of Agriculture, participated in discussion but did not sign the final document.