

Original: English

CAIRNS GROUP MINISTERIAL MEETING
(Cartagena, 13-14 June 1996)

Communication from Australia

The following communication, dated 17 June 1996, has been received from the Permanent Mission of Australia.

Attached is the communique from the Cairns Group Ministerial Meeting in Cartagena on 13-14 June. I would be pleased if you could arrange to have it circulated as an information document to WTO Members at the request of Australia and on behalf of the other Cairns countries who were represented at the Ministerial Meeting, namely: Argentina, Brazil, Canada, Chile, Colombia, Hungary, Indonesia, New Zealand, the Philippines, Thailand and Uruguay.

The members of the Cairns Group held their sixteenth Ministerial Meeting in Cartagena, Colombia on 13-14 June. An observer delegation from South Africa attended the meeting.

Ministers noted that this year marked the tenth anniversary of the establishment of the Cairns Group. They agreed that the achievements of the Group in its first decade had strengthened their individual and collective determination to continue work to achieve a global system free of distortions for agricultural trade.

Ministers expect the first Ministerial Conference of the World Trade Organization in Singapore in six months' time to be a major focus of this ongoing work.

Cairns Group Ministers reaffirmed their commitment to the liberalization of agricultural trade recognizing the very significant and positive contribution that an open world trading environment can make to economic growth and living standards around the world in both developed and developing countries.

Ministers noted also that further effective agricultural trade liberalization would make a positive contribution to world food security. In this context, Ministers emphasized the importance of actively and positively participating in the World Food Summit in Rome and agreed to consult closely on their approach to this meeting.

Cairns Ministers noted that the Uruguay Round outcome on agriculture was important in charting a new direction for agricultural trade liberalization, but was a first step only. They noted in particular:

- the market access improvements secured through the elimination of quantitative restrictions on imports, the binding of all tariffs on all agricultural products, and tariff reductions;
- the negotiated reductions in export subsidies which are helping to put global agricultural trade on a less distorted and more market-oriented basis; and
- the implementation of the SPS Agreement which is helping discipline the use of unjustified barriers to trade.

Cairns Group Ministers noted that greater effort was required to achieve the elimination of export subsidies, to discipline trade-distorting domestic support - recognizing that many forms of such support have been exempted from commitments - and to achieve further significant improvements in market access.

Cairns Ministers noted the important work carried out by the Committee on Agriculture since the introduction of the Uruguay Round Agreements in January 1995 in conducting the important task of monitoring and surveillance of the implementation of Uruguay Round commitments. During this first period, the work was especially addressed to monitoring implementation of market access commitments.

Ministers noted the significance of the SPS Agreement to trade liberalization and emphasized in this context the importance of the effective functioning of the SPS Committee in monitoring implementation and as a forum for consultation.

Ministers agreed that the implementation of the Uruguay Round commitments on agriculture was proceeding well but that some specific problems had been identified that would be brought to the attention of Ministers in Singapore. Similarly, concerns were expressed about the maintenance of unjustified sanitary and phytosanitary measures which restricted access to markets.

Ministers therefore stressed the importance they attach to all WTO Members implementing fully their Uruguay Round commitments on Agriculture and SPS measures. Ministers called for the first WTO biennial Ministerial Meeting in December 1996 to carry out a thorough review of the implementation of commitments.

Cairns Group Ministers recalled that Article 20 of the Uruguay Round Agreement on Agriculture provides for further multilateral negotiations on agricultural trade liberalization to take place before the end of the decade. Similarly, they noted that Article 12 of the SPS Agreement mandates a review of the operation and implementation of that Agreement by 1997.

While expressing their clear support for the time-frames established in the Uruguay Round for the commencement of further negotiations on agriculture, Cairns Ministers indicated their clear readiness to begin negotiations at an earlier date, if a consensus to do so could be achieved.

Recognizing the commitment to further liberalization of agriculture set out in the "built-in agenda", Ministers adopted a "Cartagena Compact" to pursue through the Committee on Agriculture and at the WTO Ministerial Meeting a commitment to a realistic and balanced programme of work to prepare for the resumption of negotiations. This programme of work should be in accordance with Article 20 of the Agreement on Agriculture, would not prejudice the outcome of the negotiations and should start in 1997. It should cover all the key areas that are expected to be the focus of further negotiations on agriculture - including, in particular, issues relating to domestic support, market access and export subsidies - so that further negotiations when resumed can be completed speedily and successfully.

Cairns Ministers also called on all WTO Members to ensure that the Marrakesh Ministerial Decision on "Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries" is fully implemented. This should include, where necessary, dialogue with other international institutions primarily responsible for formulating appropriate policies relating to food aid, technical assistance and financing problems.

In this context, Cairns Ministers noted that the current problems being encountered by net food-importing countries, particularly the least-developed countries, stem primarily from temporary market conditions for agricultural products rather than the implementation of commitments negotiated in the Uruguay Round. Cairns Ministers declared their firm intention to oppose export restrictions which would limit the supply of agricultural products on world markets and exacerbate problems faced by net food-importing countries, applying the concept of "responsible liberalization".

Ministers expressed strong concern about unilateral and extra-territorial actions which create dangerous precedent and potential threat to the multilateral trade and investment régime.

Cairns Ministers reiterated their concern to ensure an early conclusion of a multilateral understanding on agricultural export credits.

Finally, Cairns Ministers reiterated their commitment to further multilateral liberalization of agricultural trade being an integral and essential part of any further broad ranging multilateral negotiations as envisaged by the outcome of the Uruguay Round negotiations.