

TWENTY-FIRST MINISTERIAL MEETING OF THE CAIRNS GROUP
Banff, Canada
10-12 October 2000

Communication from Australia

The following communiqué from the 21st Ministerial Meeting of the Cairns Group held in Canada, has been received from the Permanent Mission of Australia with the request that it be circulated to Members.

CAIRNS GROUP COMMUNIQUE

1. Ministers at the 21st meeting of the Cairns Group said they continue to be deeply concerned with the plight of their farmers and processed food industries. "Those of our people whose livelihoods depend on rural industries are suffering genuine hardship. World agricultural and agri-food markets remain highly distorted by export subsidies, huge levels of domestic support and severely restricted access to markets, including tariffs, sanitary and phytosanitary and other non-tariff measures."
2. Despite important Uruguay Round outcomes, total support and protection for farmers in developed countries now exceeds US\$360 billion - a return to the damaging levels of the mid 1980s.
3. In view of increasing distortions to world agricultural markets, Ministers said they welcome the start made to the WTO agriculture negotiations. "But beginning the negotiations is not enough. The WTO needs to work expeditiously towards a conclusion." Ministers agreed that agriculture should be treated with the highest priority in the mandated negotiations underway in the WTO.
4. "Fundamental reform of world agricultural and agri-food markets is necessary to ensure sustained improvements in the well being of all the world's people. This is both a political and moral responsibility." Ministers said that the Cairns Group therefore has a central role in pushing the negotiations forward.
5. Ministers said that these agriculture negotiations must remove the blatant discrimination against agriculture and processed food in the WTO. "The time has come to deliver on the Uruguay Round objective to correct and prevent restrictions and distortions." Ministers affirmed their commitment to establish a fair and market-oriented agricultural trading system. "This is important for the Cairns Group and the WTO membership as a whole."
6. Ministers noted that Cairns Group negotiating proposals, based on the *Cairns Group Vision Statement*, so far cover the elimination of export subsidies and major reductions leading to the elimination of trade distorting domestic subsidies. A market access proposal is being prepared for

November 2000. Ministers encouraged other WTO Members who have not done so to submit reform proposals as soon as possible and to begin preparing for the second stage of the negotiations from March 2001. Ministers discussed the various proposals which had been tabled in Geneva and instructed their officials to prepare recommendations for further action.

7. Cairns Group Ministers agreed that achieving real and early reform is essential for the future of the multilateral trading system. It will also reduce the potential for trade disputes and avoid unnecessary strains on the WTO. Ministers said that in the absence of progress in the negotiations, inevitably there would be pressure to examine other options for securing reasonable treatment for agriculture in the WTO after 2003 when the "Peace Clause" expires.

8. Ministers said that policies which damage other countries cannot be justified on the pretext of non-trade concerns. The issue for the agriculture negotiations is not about the legitimacy of certain policy objectives but about the instruments used to pursue them – these must not be trade distorting.

9. Ministers welcomed the significant role played by developing countries in the WTO agriculture negotiations and the growing recognition that achieving agricultural reform is essential for eradicating poverty. Nothing is more important to countries which rely heavily on their agricultural sectors than achieving open, fairer and more market-oriented international agri-food and fibre markets. While development assistance must remain an essential element in helping developing countries realise their potential, Cairns Group Ministers stressed that aid should not be a substitute for trade. Improved market access and agricultural reform by developed countries are essential to unlock development.

10. Ministers said that in addition to providing improved market access opportunities and removing unfair subsidized competition in domestic and export markets, the agriculture negotiations must also deliver concrete and operational special and differential treatment provisions for developing countries. "Reform and special and differential treatment are both central elements in ensuring that developing countries have the necessary means to address crucial rural development and food security objectives through the negotiations." Ministers also reaffirmed the importance of ensuring that the Marrakesh Decision on least developed and net food-importing developing countries is made more effective.

11. Ministers welcomed the participation in the Banff meeting of their colleagues Dr. Franz Fischler (EU Commissioner for Agriculture), and Dr. Youssef Boutros-Ghali (Egypt's Minister for Economy and External Trade). The involvement of these special ministerial guests of the Cairns Group underscored the importance of successful agriculture negotiations to the whole WTO membership.

12. Ministers welcomed a statement from Cairns Group farm leaders, who were also meeting in Banff, underlining the importance that industry attaches to early and significant agricultural trade reform.

13. Ministers expressed their appreciation to the Canadian Government for hosting the 21st Cairns Group meeting in Banff from 10-12 October 2000 and to the people of Banff for their warmth and hospitality. The Cairns Group ministerial meeting in 2001 will be held in Uruguay.
