

NINETEENTH MINISTERIAL MEETING OF THE CAIRNS GROUP
Buenos Aires, Argentina
27-29 August 1999

Communication from the Cairns Group¹

The following communiqué from the 19th Cairns Group Ministerial meeting held in Buenos Aires on 27-29 August 1999, has been received from the Permanent Mission of Australia with request that it be circulated to Members.

Communiqué

1. The nineteenth Ministerial meeting of the Cairns Group was held in Buenos Aires from 27-29 August.
2. Ministers reaffirmed the objectives they set for the negotiations in the Cairns Group Vision Statement released last year. The Group wants freer, fairer and more market-oriented trading conditions and trade in agriculture on the same footing with trade in other products. Ministers highlighted that this will require the elimination of export subsidies and trade-distorting domestic support, and major gains in market access.
3. Ministers said there is no justification to discriminate against agriculture in the WTO. It is totally unacceptable to the Cairns Group that the most efficient agricultural producers are penalised while barriers to non-agricultural trade are eliminated or reduced to a minimum. This must be remedied. Cairns Group farm leaders meeting in Buenos Aires also delivered the same message to Ministers.
4. Trade in agriculture remains subject to profound and costly distortions. Protectionist policies have severely hampered economic growth and damaged employment. In 1998, agricultural support within the OECD totalled some US\$362 billion - higher than the US\$326 billion provided when the Uruguay Round began.
5. When we conclude the next round of agriculture negotiations, to be launched in December at the Seattle WTO Ministerial Conference, it will be nearly twenty years since the world committed to fundamental reform. The next negotiations must now place agriculture squarely within general WTO rules to eliminate inequities in support and protection.
6. In the final stage of preparations for the Seattle Conference, Cairns Group members will be pushing for clear and detailed decisions in Seattle to ensure agriculture negotiations begin on time, conclude before 2003, and have an explicit negotiating timetable to deliver required outcomes.

¹ Cairns Group: Argentina, Australia, Brazil, Canada, Chile, Colombia, Fiji, Indonesia, Malaysia, New Zealand, Paraguay, Philippines, South Africa, Thailand, Uruguay.

A detailed negotiating plan is essential to end, once and for all, the unequal treatment of agriculture in the WTO.

7. Ministers noted the current difficult international market conditions for many agricultural products and called upon all countries to avoid resorting to protectionism. The major subsidisers should stop using export subsidies, apply disciplines on export credits, and eliminate trade distortions. This would be a strong sign of commitment to fundamental reform for the launch of the negotiations.

8. Ministers acknowledged the legitimate concerns expressed by many developing countries about the effect of distortive practices of some developed countries on market access for their exports, food security and rural development needs. The Group is committed to ensuring that the next negotiations result in concrete special and differential treatment provisions to address these issues.

9. Major developed countries must practice in agriculture what they preach for other sectors. They must accept their responsibility to ensure that the global benefits of agricultural trade reform are realised. For much of the developing world, agriculture is the key for growth and employment. But high levels of protection and subsidies in some industrialised countries block the development process and must be stopped.

10. Some WTO Members suggest that the so-called "multifunctional" objectives of agriculture - rural employment, landscape and the like - justify maintaining high levels of agricultural support and protection. Just as it would not be acceptable to introduce "multifunctionality" in the WTO for manufacturing and services, there is similarly no justification to apply it in agriculture. Non-trade objectives should not be used as a smoke screen for protectionist policies which perpetuate poverty, hunger and environmental degradation. The WTO recognises non-trade concerns and these can be addressed through targeted and transparent policies which do not distort production and trade.

11. Cairns Group Ministers reaffirmed the importance of decision-making based on sound science for the establishment and application of technical measures, standards and regulations and communication thereof. They noted that issues had arisen which were affecting trade in products of biotechnology, including agricultural products, and said the Group is prepared to consider how these might be addressed by the WTO.

12. Cairns Group Ministers welcomed Bolivia, Costa Rica and Guatemala as observers. They also welcomed their discussions with United States Secretary of Agriculture, Dan Glickman, on preparations for the negotiations and developments in US agricultural policy. The US offered to cooperate with the Cairns Group which leads the charge for far-reaching reform of global trade rules for agriculture.

13. Cairns Group Ministers will meet again in Seattle before the WTO Ministerial Conference and agreed to hold their annual meeting in 2000 in Canada.
