



Canadian farmers push for resumption of WTO negotiations and an end to protective subsidies

Ottawa, June 10, 2009 — The Canadian Agri-food Trade Alliance (CAFTA) strongly supports the Cairns Group Ministers' call for an intensified global effort to conclude the WTO Doha Round of agriculture negotiations. CAFTA also echoes the Ministers' appeal for a reversal of the protectionism many nations are employing in response to the current economic crisis.

The Cairns Group Ministers issued a communiqué following their June 7-9 meeting in Bali, in which they said that "WTO members must now summon the political will to conclude our mandate for a balanced and ambitious outcome" in the Doha Development Round. Ministers recognized the progress already made in the agriculture negotiations and the need to "build on that work, based on the draft modalities text".

CAFTA agrees that free trade in agricultural goods is seriously threatened by increased protectionism in agriculture, such as the recent resumption of dairy subsidies by the United States and the European Union. Erecting new trade barriers is not a productive response to the world economic slowdown, says CAFTA President Darcy Davis.

"We need to recommit to the multilateral negotiation process. Domestic and export subsidies and market access barriers will slow economic recovery, while also undermining the WTO process," says Davis. "It's urgent that all countries rededicate themselves to completing the Doha Development Round. We urge Canadian Ministers to take a leadership role in re-engaging WTO members in these negotiations at the earliest opportunity."

Davis represented CAFTA at the June 7 Cairns Group Farm Leaders meeting in Bali. The Cairns Group Farm Leaders represent producer groups from the 19 Cairns Group countries. Their task is to provide advice and support to their governments and to the larger coalition, in the quest for more liberalized agricultural trade.

In their own communiqué, the Cairns Group Farm Leaders expressed concern that international commitment to the Doha Round has diminished and called for "strong political leadership to bring the Doha Development Round to a timely and successful conclusion". The group urged Cairns Group Ministers "not to weaken in their resolve to finalise modalities", "build ambition from the base of the December 2008 text" and secure "robust and transparent rules to underpin the trade of agricultural goods."

CAFTA stresses that the success of Canada's agricultural sector is highly dependent on trade. The WTO ranks Canada as the 4th largest agriculture and agri-food exporter in the world, after the EU, the U.S. and Brazil. Almost 80 per cent of total farm cash receipts in Canada come from export-dependent commodities.

"Canada has built an agriculture industry that relies on trade," says Davis. "Without trade, our agriculture and food production sectors would contract, with significant economic consequences domestically. That's why it's so critical to push for a new WTO agreement that builds on the multilateral trading system to ensure the future growth and prosperity of Canadian agriculture and agri-food."

CAFTA is a coalition of national and regional organizations, associations and companies which support a more open and fair international trading environment for agriculture and agri-food. CAFTA's members include producer organizations, processors, marketers and exporters from the major trade dependent sectors in Canada. Together, CAFTA's members produce almost 80 per cent of Canada's agriculture and agri-food exports, conduct about \$40 billion in business annually and directly employ close to 500 thousand Canadians.

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