



CAIRNS GROUP FARM LEADERS'  
BALI COMMUNIQUE, 2 DECEMBER 2013

Cairns Group Farm Leaders met today in Bali, Indonesia, to discuss the status of the World Trade Organization (WTO) Doha Development Round and to reinforce the importance of securing a transparent multi-lateral trading environment.

Farm Leaders wish to formally welcome Roberto Azevêdo as the sixth Director-General of the WTO and look forward to renewed enthusiasm and guidance over the next four-years. We wish to thank and recognise the efforts of former Director-General Pascal Lamy and Member Ministers for their efforts to achieve non-discriminatory, transparent and predictable world trade and we recognize the WTO for its critical role in these advances.

But more needs to be done. Indeed, the projected growth in global population and incomes, will create unprecedented demand for agri-food products. Meeting global demand requires, among other things, a predictable, efficient and stable multilateral trading system which necessitates a comprehensive and truly liberalising trade deal in the WTO in the immediate future to support and enable growth and development.

Cairns Group Farm Leaders continue to support the trade reform objectives of the Doha Round, especially the need for improved market access, and also a transparent and rules-based trading system. We also continue to support the WTO as a mechanism through which the elimination of trade distorting policies and the implementation of a level playing field for farmers and food manufacturers can be achieved. The need to recognize and adequately address the developmental challenges of a large number of member countries with these reforms by means of special and differential treatment remains an unresolved challenge of this Round.

While disappointed that a comprehensive Doha deal has stalled, we welcome the progress that has been made in the negotiations on some components of the original Doha program including trade facilitation, food security, import quota administration, and export competition. Farm Leaders call on WTO members to agree on these issues and implement the necessary disciplines to provide the much-needed confidence that collectively we can still achieve results through a multilateral process if the political will is there.

On export competition, we recall the commitment made by WTO members in the 2005 Hong Kong Ministerial Declaration to eliminate all forms of export subsidies by the end of 2013. While it may not be possible to reach this goal, it cannot be ignored. Farm leaders call on WTO members to determine how

export subsidies will be eliminated moving forward. These are very trade distorting forms of agricultural support, and have a widespread negative effect on producers. These measures are a relic of a previous age of and have no place in a global community wanting to achieve improved food security and lift developing country farmers out of poverty. Export subsidies have long been illegal for industrial goods in recognition of the extremely negative and perverse impact they have on trade. It is time to end them for agriculture as well.

Acknowledging the intensive discussions on food security and public stock holding of food, Farm Leaders call on WTO members to ensure that this issue does not distort trade or undermine Uruguay Round obligations. Predictable and transparent trade is fundamental to food security and to ensuring a sound environment for the increased investment in agriculture that is needed to achieve the world's food security goals.

Farm Leaders fully appreciate the challenges facing the multilateral trade agenda. The protracted negotiations process has seen many countries shift attention to bilateral and regional trade arrangements. We do not view this as an outright rejection of the principles behind the Doha negotiations. Rather, the Doha goals remain valid and must continue to be pursued. These additional trade reform mechanisms must be viewed, together with the WTO, as critical pieces of the overall machinery that will progress us towards liberalized trade.

With that, Farm Leaders insist that any bi-lateral or regional deals be consistent with Doha objectives and thus complement, respect and incorporate the rules, principals and disciplines that will over time propel us towards a rules-based global free trade system. Trade arrangements must adopt ambitious reform-orientated objectives; they must strive to eliminate or substantially reduce tariffs on all products; they must place disciplines on and hold countries accountable for non-tariff barriers; and they must tackle difficult issues that seemed insurmountable in the Doha round.

Despite sensitivities surrounding agricultural trade liberalisation, agriculture must remain a central focus of all trade negotiations - particularly as food security concerns continue to be debated across the globe. International trade under a rules-based system is an important component of addressing this problem by moving towards open and undistorted, flow of food and agricultural commodities in accordance with supply and demand requirements.\*

Farm Leaders have discussed and reviewed the objectives and desires for agricultural trade liberalisation and we have reconfirmed our commitment to them. We now urge Cairns Group Ministers to pursue engagement across the broader trade agenda after the 9<sup>th</sup> WTO Ministerial Conference and agree to a work plan that continues to advance market access, reduce trade distorting domestic support and eliminate agricultural export subsidies to liberalise global trade in agriculture and eliminate trade distorting mechanisms.

We wish Ministers every success with their deliberations over the coming days.

**\*CFA does not support the wording in this paragraph.**