



Cairns Group Ministerial Meeting
20-22 September 2006
Cairns, Australia

**20th ANNIVERSARY MINISTERIAL MEETING
COMMUNIQUE**

We, the Ministers of the Cairns Group, met in Cairns, Australia from 20-22 September, on the twentieth anniversary of the establishment of our Group, to review the current impasse in the Doha negotiations and to discuss how we can contribute to their successful resumption.

The Cairns Group has invested heavily in the Doha Round. We are deeply disappointed at the suspension of talks in July this year, and urge WTO members quickly to re-engage in negotiations.

The goal of fundamental reform of agricultural markets is as urgent today as it was at the founding of the Cairns Group twenty years ago. Farmers world-wide urgently need relief from the costly support and protection in the markets of the major agricultural subsidisers.

The Round cannot be allowed to drift. Further delay adds to the risk that we lose the gains secured to date in the negotiations and the continued momentum for trade reform. The costs of continued delay will be borne by our farmers and our rural communities. While difficult, negotiating gaps can be bridged. We are determined to do all that we can to facilitate convergence and an early return to the negotiating table.

To this end, WTO Members should assess prospects for resumption and take the necessary steps to resume negotiations no later than November.

The failure to conclude an agreement on agriculture modalities is the result of significant gaps in positions in both domestic support and market access. We reiterate our view that genuine and deep policy reforms in both pillars are necessary in this Round to deliver real change in global agricultural markets. The plain negotiating reality should also be clear: modest reforms in these areas will simply be insufficient to conclude a deal on agriculture or to unlock the benefits of the broader Doha agenda.

The EU, US, G10 and others with the highest levels of support and protection must make the necessary improvements to their offers on market access and domestic support, to establish the basis for the early resumption of negotiations. For our part, we will continue to help establish the conditions for a successful conclusion to the Round. To that end, we will continue to work to help build convergence on the substance of the agriculture modalities, in preparation for the resumption of negotiations. Substantial efforts will be required.

This is especially true for market access, where the substantive differences in negotiating positions are most significant. For Sensitive Products we need a transparent and objective market-based approach that is capable of delivering substantial and meaningful

improvements to access. A strong outcome on the market access pillar, including for tropical products, is an essential element in securing the development benefits of the Round.

We are resolved, as a matter of priority, to establish convergence on Special Products and the Special Safeguard Mechanism in order to provide greater definition to these instruments, consistent with the mandates and the Group's objectives.

Urgent work is also required on domestic support. Unless there are effective cuts in trade distorting subsidies we will not achieve an outcome in these negotiations. Levels of overall trade-distorting support must be significantly reduced with meaningful disciplines applied, including to prevent concentration of support on particular products. Adjustments are required to the Green Box to ensure that this category of support is genuinely non or minimally-distorting. The particular issue of cotton should be addressed, taking into account its importance to many developing countries.

The Cairns Group welcomes the decision in Hong Kong to abolish export subsidies according to a phased schedule. Further work is required on the schedule and to elaborate the parallel disciplines in the export competition pillar.

We recognise the importance for developing countries of special and differential treatment in undertaking new commitments. We are committed to achieving a strong outcome to the Doha round for agriculture – in all three pillars – in order to provide the best possible conditions for sustainable development.

We have instructed our officials in Geneva to embark immediately on the attached work program in the Cairns Group across each of the pillars, with a view to preparing the Group's contributions to resumed negotiations.

We also recognise that important decisions on farm policies in the United States and European Union will be taken in the period ahead. We are committed to ensuring that the voices of our farmers are heard in these debates.

We have welcomed the opportunity for discussions with WTO Director-General Pascal Lamy, United States Trade Representative Susan Schwab, United States Secretary of Agriculture Mike Johanns, Japanese Agriculture Minister Shoichi Nakagawa and a representative of the EC Trade Commissioner. We reaffirm our support for the Director General in his consultations and our intention to work with other WTO Members and groups in pursuit of an ambitious outcome to the round on the basis of the Doha mandate, the July 2004 Framework and the Hong Kong Declaration.

We have appreciated the presence in Cairns of the Cairns Group Farm Leaders, the Global Dairy Alliance and the Global Sugar Alliance, and their reaffirmation of strong support for an ambitious outcome to the Doha Round negotiations.

This meeting has also provided us with the opportunity to celebrate the significant achievements of our Group during its twenty-year history, and to re-unite with a number of the founding members of the Cairns Group, who have made an enormous contribution to the evolution of the Group and its objectives.

We thank the city of Cairns for hosting a successful meeting of our Group on its twentieth anniversary. We welcome the offer by Pakistan to host the next Ministerial Meeting of our Group.

CAIRNS GROUP WORK PROGRAM

In addition to our efforts to facilitate the early resumption of the Doha negotiations in November, we have agreed to the following program of work, to help establish the conditions for their successful conclusion.

Contributions to building convergence on modalities:

- We have tasked our officials to contribute to building convergence on some of the key issues of importance to developing countries, including Special Products, the Special Safeguard Mechanism and tropical/diversification products. We will contribute the Group's ideas in this area and will embark on a program of outreach to other negotiating groups.
- We have tasked our officials to work with other WTO Members to illustrate the importance to the Group of a strong outcome on market access, including on sensitive products.
- We will also contribute to further technical work to develop appropriate disciplines in domestic support and export competition, in advance of a resumption of negotiations. We will continue to advocate the importance of deep reductions in trade-distorting support and early elimination of export subsidies.

Contributions to farm policy reform in the US and EC

- We will set in place a work program in the Group of analysis and advocacy work for upcoming reforms of the US Farm Bill.
- We will advocate the Cairns Group's priorities on the reform of domestic support of the other major users, including the forthcoming scheduled reviews of the EC's Common Agricultural Policy

Outreach

- We will seek all opportunities, in Geneva and in capitals, to represent and assert our Group's interests in the early resumption of negotiations and in a substantial outcome on agriculture. We will work with our farm leaders to build support among farmers in other countries for trade reform, through highlighting the benefits of freer agricultural trade.
- We are committed to continuing an active program of outreach with other negotiating groups to build convergence on issues of common interest.