



CANADIAN AGRI-FOOD TRADE ALLIANCE

CAFTA TRADE POLICY UPDATE

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Following is the latest edition of the Canadian Agri-Food Trade Alliance (CAFTA) Trade Policy Update. You are receiving this update either because you expressed an interest in receiving a updates on WTO and other trade negotiations, or because your name was suggested to CAFTA. Should you wish to discontinue receiving the Trade Policy Update, simply send an email to office@cafta.org requesting that your contact information be removed from the distribution list.

The Canadian Agri-Food Trade Alliance represents producers, processors and exporters of agriculture and agri-food products. Accounting for over 80% of Canada's agriculture and food exports, and more than 50% of farm cash receipts, CAFTA's members are united in their dependence on trade, and in their need for a liberalized international trading environment.

Report from Geneva – WTO Continues to Press Forward

WTO Agriculture negotiations resumed in the first week of September, following the August break. WTO member countries returned to Geneva for an intensive three week period of negotiations; the most recent round concluded on Friday, September 21, 2007.

Member countries focused attention on the working text on modalities, released by Ambassador Crawford Falconer in July. The negotiating sessions were intended to help “close the gaps” in the working text; working towards an overall agreement on modalities.

On September 10, a CAFTA delegation including President Alanna Koch, Director Travis Toews (CCA), John Masswohl (CCA) and Executive Director Keith Lancaster travelled to Geneva to once again press the perspective of Canada's agri-food exporters.

Over a two week period, CAFTA's delegation met with the missions of a number of WTO member nations including the United States, European Commission, Japan, New Zealand, Australia, Brazil and India. In addition, CAFTA met with Ambassador Falconer and with representatives of the American Farm Bureau Federation. CAFTA's delegation also participated in daily briefings at the Canadian mission.

CAFTA's message focused on the need for an ambitious agreement that would benefit all member countries; CAFTA members have remained committed to securing an agreement providing real market access and systematic reductions in trade distorting barriers.

The visit to Geneva helped provide an “on the ground” update and perspective on how negotiations were unfolding. By all accounts, member countries returned to their work in a constructive fashion, seeing the text as a foundation for continuing negotiation.

Over the three week period, member countries seemed to converge on a number of key issues including domestic support and export competition. While some questions remained, member countries indicated that agreement in these areas was within reach.

In a significant development, negotiators from the United States indicated a willingness to accept the proposed domestic support levels specified in the working text – conditional on their market access expectations being achieved. The European Union and Japan also expressed their willingness to work within the domestic support parameters specified in the text.

The final days of the three week negotiating period focused extensively on market access, sensitive products, special products and SSG/SSM. Gaps remain in all of these areas and it is recognized that considerable work and commitment will be required to reach agreement.

The negotiations adjourned on Friday, September 21st; resumption of formal negotiations is scheduled for Monday, October 8th. Canada and other member countries will return to Geneva during the week of October 1st to continue the consultative process within smaller groups.

Ambassador Falconer has called for a further two weeks of negotiations at which time he will develop a revised text. The text will seek to capture the areas of convergence and to further narrow any gaps – essentially, it should reflect what will be required to reach agreement among member countries.

It is expected that this text will be released by the end of October and it is hoped that a ministerial meeting can be scheduled later this fall.

CAFTA will retain a presence in Geneva during the next phase of negotiation and will continue to monitor developments.

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