



July 26, 2007
Geneva

CAFTA Statement

The Canadian Agri-Food Trade Alliance (CAFTA) delegation has been actively working in Geneva over the past several days. We have continued to press the interests of Canadian agri-food exporters and have been calling for an ambitious outcome to the Doha Round. We've emphasized the need for outcomes that generate real and substantive improvements in market access and significant reductions in trade distorting barriers.

In the last few days we have met with the missions of a number of WTO member countries including the U.S., E.C, India, Switzerland, Australia and New Zealand. We've also met with senior WTO officials including Harsha Singh, Deputy Director General.

We've spent considerable time with the Canadian mission, including a meeting with Ambassador Don Stephenson who, in addition to his role for Canada, serves as the NAMA chair. And, of course, we have participated in daily briefings and meetings with Steve Verheul and the Canadian negotiating team.

Much of the work and attention this week has focused on Ambassador Crawford Falconer's agriculture text and the NAMA text prepared by Ambassador Stephenson. These texts were released last week and have been the subject of considerable discussion here in Geneva and around the world.

While reactions to the details of the texts have varied, there is a consensus that the texts provide a solid foundation for the next steps in the process. From our perspective, while the agriculture text may have lacked ambition in some areas and requires further details in areas such as market access, it does represent a strong step forward.

CAFTA's message at all of our meetings has emphasized a number of key considerations critical to agri-food exporters.

We've reinforced the significant role exports play in our industry and the fact that over 90% of our producers are dependent on international markets.

We've shared recent statistics showing that Canadian agricultural exports account for 75% of total farm cash receipts.

Finally, we've noted that the current Canadian negotiating mandate does not meet the needs of the world's fourth largest agri-food exporter.

Canada - and the world - needs an ambitious deal and a successful conclusion to this round. There are those that say there is no benefit to a deal for Canada and we strongly disagree with that contention. We see real benefits – and opportunities – for the Canadian agriculture and agri-food industry from a WTO agreement.

For example, the Americans are being asked to make real concessions in the area of domestic support and the text calls on the Europeans to provide significant improvements in market access.

Now what does that mean in real numbers? While we have not yet been fully analyze the potential impact of the text, early indications are that significant benefits will, in fact, be generated through a deal based on the text.

One of CAFTA's fifteen members, the Canadian Cattlemen's Association, has provided us with some preliminary analysis indicating a potential benefit for Canadian beef that could exceed \$400 million annually. While that number still needs some fine tuning, it reinforces the real opportunities for Canada through this deal. And that is just for one sector – other exporters stand to benefit as well.

CAFTA has been an active supporter of the Doha Round since its inception and is committed to full engagement going forward. Following the August European vacation period, agriculture negotiations will resume on September 3rd. CAFTA is making plans to return to Geneva this fall and will once again be here to speak on behalf of Canada's agri-food exporters.

We will continue to work with our Canadian negotiating team and, we would be remiss if we did not mention the respect that our Canadian negotiators have earned both at home and internationally.

We look forward to a successful conclusion to this round – and to a world of expanded opportunities.