

TIME FOR ACTION:

A PROPOSAL FOR A FRAMEWORK APPROACH FOR AGRICULTURE

I SUMMARY

1. A successful outcome of the agriculture negotiations by 1990 is critical to the future of the multilateral trading system and the direction of long-term agricultural policies. It would end needless pressure on budgets through competitive subsidization and promote sound long-term agricultural development in developing countries.
2. Cairns Group Ministers at Bariloche identified the Mid-Term Review as a unique opportunity to give political direction and impetus to those negotiations. This can be done by agreeing a framework approach, linking short and long-term elements, which will reduce support for agriculture and begin liberalization of international trade in agriculture.

Basic Elements

3. To realize the objectives set at Punta del Este, and begin the process of long-term change, the Cairns Group seeks agreement by Ministers at the Mid-Term Review of the Uruguay Round, to a framework approach for agriculture which would include:

- (i) the key long-term objectives and elements that would form the basis to achieve those objectives, including the maximum time frame for implementation;
- (ii) the nature of transitional arrangements and rules required to achieve a reformed long-term framework for the conduct of agricultural trade;
- (iii) a commitment to introduce an immediate freeze on support and subsidization which distort trade and not to introduce any trade restrictive or distorting measures not explicitly provided for in the GATT;