

TRADE AND DEVELOPMENT

Recommendation 2

"That Canada thoroughly assess the existing proposal to include a "development box" in the WTO Agreement on Agriculture, and make its findings public."

The Government agrees with the recommendation that Canada thoroughly assess the various "development box" proposals submitted in the WTO agriculture negotiations. In the Doha Ministerial Declaration, WTO Members agreed that Special and Differential treatment (S&D) provisions "shall be an integral part of all elements of the negotiations" on agriculture, "to enable developing countries to effectively take account of their development needs, including food security and rural development." The Government believes that the aim of this flexibility should be to facilitate the transition by developing countries to a fair and market-oriented agricultural trading system, which is the long-term objective of the WTO Agreement on Agriculture.

The "development box" proposal groups together a broad range of policy measures and different kinds of flexibility. Other "boxes" and S&D provisions have also been proposed; for example, India has proposed a "food security box". The Government is considering the merits of all S&D proposals in the context of the three principal elements of the agriculture negotiations, which are: market access; export competition; and domestic support. As a part of ongoing consultations, the Government will hold a session for non-governmental organizations to examine policy measures captured in the development box in detail this autumn. As negotiations progress, the Government will continue to consult stakeholders on these matters, and work openly and constructively with developing countries to ensure that the path to reform responds to the needs and interests of all WTO members.

Recommendation 3

"That Canada assume a leadership role in promoting access for developing countries to the markets of the developed world. To that end, Canada should make unilateral concessions in improving access to the Canadian market for products originating in these countries. The federal government should also explore the need to provide transitional assistance to the domestic industries and/or workers affected by this measure."

The Government agrees with the recommendation as long as it is not to be interpreted as recommending blanket unilateral concessions. Canada has been steadily improving market access for developing countries through a variety of means, both unilateral (for example reviews of the General Preferential Tariff, LDC Market Access Initiative) and

