

AGRICULTURE

Key objectives for Canada in the agriculture sector in the Uruguay Round negotiations included improved access to markets, increased disciplines on subsidies that distort world trade, more predictable and secure border arrangements to preserve Canada's farm supply-management programs, and assurance that health and sanitary regulations will not be used as disguised barriers to trade.

The Uruguay Round agreement brings global trade in agriculture more fully under the rules of the GATT by:

- reducing overall tariffs on agricultural goods by 36 percent, with a minimum reduction of 15 percent for any specific product. Implementation will take place between 1995 and 2001 in six equal annual steps;
- ensuring that all members open their markets to imports by a specified minimum amount starting in 1995 and increasing that level of commitment by 2001;
- providing better and more secure access to markets around the world for Canada's key agri-food exports, such as grain, oilseed products, red meats and Canadian whisky;
- compelling countries to reduce internal support to their agricultural industries -- when such support has the effect of distorting trade -- by 20 percent over six years, while ensuring that support programs that do not distort trade (such as those for regional development, research, environmental protection and farm-income protection) are not subject to retaliatory duties;
- committing countries to reduce export subsidy expenditures by 36 percent and to reduce the volume of subsidized exports by 21 percent over the 1995-2001 period;
- including an agreement on health and sanitary measures that recognizes the right of countries to take actions required to protect the life and health of humans, animals and plants, while preventing the misuse of health and sanitary measures as disguised barriers to trade;
- providing a more secure and predictable trading environment in support of effective farm supply-management programs in Canada; and
- eliminating country-specific rule exceptions.