

COMPREHENSIVE PROPOSAL FOR THE LONG-TERM REFORM OF
AGRICULTURAL TRADE

SUBMISSION BY THE CAIRNS GROUP COMPRISING
ARGENTINA, AUSTRALIA, BRAZIL, CANADA, CHILE,
COLOMBIA, FIJI, HUNGARY, INDONESIA, MALAYSIA,
NEW ZEALAND, PHILIPPINES, THAILAND AND URUGUAY

INTRODUCTION

1. The purpose of this paper is to indicate how the Cairns Group sees the individual elements of the negotiating framework fitting into an integrated package designed to meet the negotiating objectives agreed at the Mid-Term Review (MTR). The Group will further elaborate these views as the negotiations proceed.

2. The Cairns Group bases this paper on the MTR Agreement on Agriculture contained in MTN.TNC/11, the long term objective of which is the establishment of a fair and market oriented agricultural trading system. As further elaborated in the Mid-Term Review Agreement, this objective is to provide for substantial progressive reductions in agricultural support and protection, sustained over an agreed period of time, resulting in correcting and preventing restrictions and distortions in world agricultural markets.

3. This objective is to be initiated through a reform process based on negotiated commitments on support and protection and through the establishment of strengthened and more operationally effective GATT rules and disciplines.

The reform process, to be completed over an agreed period of time, is to be based on commitments on specific policies and measures, on an aggregate measurement of support, or a combination of these approaches.

4. These commitments will also be guided by agreement that special and differential treatment for developing countries is an integral element of the negotiations; that direct and indirect government assistance measures to encourage agricultural and rural development are an integral element in the development programs of developing countries; and that ways should be developed to take account of the possible negative effects of the reform process on net food importing developing countries.

5. The Cairns Group considers that a competitive, efficient and market responsive world agricultural system would serve the common long-term interest of developed and