



NEWS RELEASE

Broken Promises Result in Doha Round Suspension

Monday July 24, 2006 – WTO members, particularly those in the Group of 6 countries, have broken their promises to the agriculture and food industry around the world, and have abandoned those in the world's poorest countries, by putting politics before progress in the Doha Round of WTO negotiations.

“When the round was launched, WTO member countries pledged to address support and protection in an ambitious manner to benefit the world economy,” said Liam McCreery , President of the Canadian Agri-Food Trade Alliance. “They continued to make that pledge throughout the five years of negotiations, but not one country has been willing to live up to the promise and break the current negotiating impasse. Those of us who have pinned our hopes for the future on reduced subsidies and access barriers now face an indefinite continuation of unfair subsidies and closed markets.”

The failure of the members of the Group of 6 countries (Australia , Brazil , European Union , India , Japan and the United States) to break the negotiating impasse today in Geneva , prompted the Doha Round of negotiations to be suspended indefinitely. The suspension delays everything, even the progress that had already been made.

“Without a complete agreement, all of the commitments made so far are lost,” said Mr. McCreery. “Without a deal, export subsidies can continue and can increase. Trade distorting domestic subsidies can continue with little discipline, and countries can continue to impose tariffs of over 500% on agriculture and food products.”

CAFTA believes that in this time of crisis, a leader is needed to step forward to get the negotiations back on track. “As the world's 4th largest agriculture and food exporter, and as the world's most trade dependent developed country, Canada has a lot at stake in the Doha Round,” said Mr. McCreery. After a very short cooling off period, Canada should become the international consensus builder to bridge the differences and save the round. Our future, and the futures of farmers, processors and exporters around the world, depends on it.”

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The Canadian Agri-Food Trade represents producers, processors and exporters of agriculture and agri-food products, as well as suppliers of agricultural inputs. Accounting for over 80% of Canada's agriculture and food exports, and more than 60% of farm cash receipts, CAFTA's members are united in their dependence on trade, and in their need for a liberalized international trading environment.