

Farmers and cooperatives from Japan and the European Union take a common position on WTO

A Joint Declaration by J A Zenchu and COPA-COGECA

We, farm leaders from Japan and the European Union, wish to draw the attention of the policy-makers and the public to the dangers of recent developments in the WTO negotiations on agriculture.

We firmly support measures which will ensure that countries respect the same clear and transparent rules for world trade and that trade flows smoothly.

We fear, however, that new trade proposals on the table in WTO will make it impossible to ensure that the major concerns of citizens in the EU, Japan and many other countries are met.

The EU is the world's largest importer of food and Japan imports 61% of its food requirements. Consumers in our countries are already becoming increasingly concerned about this heavy dependence upon imports which puts food security and food safety at risk.

Yet the deal which is under discussion in WTO would lead to a contraction in Japanese and EU agricultural production and would make consumers even more dependent upon imports. It would also significantly increase their exposure to the rising volatility of food prices on world markets which is forecast for coming years.

We recognize that the opening of markets can help to enhance growth and employment in the world and help to reduce poverty and hunger in the developing world in particular. However, the Chair of the agricultural negotiations is now proposing to cut tariffs by an average of 54%, with cuts of up to 85% for some products. These cuts are excessive and would be extremely damaging.

In the case of beef alone, EU production would fall by as much as 800.000 tonnes - equivalent to total beef production in a country such as the UK. The EU would also become much more dependent on imports of pork, poultry, butter, sugar, eggs and fruit and vegetables.

Japan's food self-sufficiency rate has fallen to as low as 39% which is causing concern among consumers about sustainable food security. On the other hand, rice producers are required to set-aside one third of their paddy field. In order to raise self-sufficiency, Japanese producers' capacity to provide staple foods must not be damaged by further market opening.

Production in the poorer developing countries would also be put at risk by such a WTO deal. Faced with increasing competition from large-scale farming and multinational traders in countries such as Brazil and the USA, how could small farmers in these countries compete?

The main result would simply be to make more and more countries in the world increasingly dependent on the few major agricultural exporting countries for their food. How will governments ensure their consumers of secure and stable supplies of food in such circumstances? How will they protect their consumers from the increasing volatility of world prices for food which we are seeing today?

In addition to providing vital food supplies, agriculture also maintains most of the world's precious land resources and is essential for the vitality and well-being of rural areas throughout the world. Farmers cannot simply produce food as cheaply as possible. We must encourage farmers around the world to produce in a sustainable way and in a way which contributes to greater prosperity in rural regions. The current proposals under negotiation in WTO do not merely ignore this wider role of agriculture. They would make it impossible for farmers who are already meeting these objectives to be competitive and therefore to stay in business.

We call upon citizens throughout the world to make their voice heard and demand a fair and just outcome in WTO which takes account of the priorities below:

- the right for all countries to ensure food security by maintaining adequate domestic production
- the right for all countries to meet the non-trade concerns of their citizens including food safety, the environment and rural communities
- special and differential treatment for developing countries to enable them to meet the needs of resource-poor, vulnerable and small-scale farmers.

To achieve this we make the following specific proposals:

- there must be a balance between the efforts made by WTO members on domestic support, export competition and market access
- there should be no country-specific derogations with regard to domestic support
- there must be parallel treatment of all forms of export support, including the elimination of monopoly powers of exporters
- there must be reinforced rules to protect geographical indications
- tariff cuts must be well below those proposed by the Chair of the agricultural negotiations in way which reflects the position of all WTO members, not only those of the major agricultural exporters
- each country must be allowed to self-designate an adequate number of sensitive products, based on the total number agricultural tariff lines. They must also be given the flexibility to sub-divide sensitive products into several product categories and to establish specific tariff quotas within a product category
- special products for developing countries should respond to their real development objectives of food security, rural development and to ensure the livelihood of their rural communities.

- tariff capping is not acceptable
 - the special safeguards must be maintained for both developing and developed countries
 - countries should be able to continue to apply specific tariffs as well as *ad valorem* tariffs
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