

2002 Kananaskis Final Compliance Report Economic Growth – Agricultural Trade

Commitment:

Without prejudging the outcome of the negotiations, applying our Doha commitment to comprehensive negotiations on agriculture aimed at substantial improvements in market access, reductions of all forms of export subsidies with a view to their being phased out, and substantial reductions in trade-distorting domestic support. (Africa Action Plan, 57)

Background:

At the Doha Ministerial Conference held in November 2001, participants implemented the Doha Declaration which reconfirms the objective of the WTO Agreement to establish a fair and market-oriented trading system by preventing restrictions and distortions in world agricultural markets.¹⁸⁵ At the G8 summit in Kananaskis, the G8 countries implemented the Africa Action Plan in support of the New Partnership for Africa’s Development (NEPAD), an African-led strategy for sustainable development and poverty reduction in Africa. As part of the action plan, the G8 countries are committed to agricultural reforms in order to improve Africa’s position in world agricultural markets.¹⁸⁶ Within the action plan member countries have pledged to improve global market access for African exports by tackling trade barriers and farm subsidies by 2005.¹⁸⁷

Assessment:

Country	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Britain		0	
Canada			+1
France		0	
Germany		0	
Italy		0	
Japan		0	
Russia		0	
United States		0	
Overall			+1.13

¹⁸⁵ World Trade Organization. www.wto.org/english/tratop_e/dda_e/dohaexplained_e.htm#agriculture

¹⁸⁶ DFAIT. www.dfait-maeci.gc.ca/canadexport/docs/active/vol.%2018,%20no%2018@2345-e.htm

¹⁸⁷ BBC News, news.bbc.co.uk/1/hi/business/2069632.stm

Individual Country Compliance Breakdown:

1. Britain: 0

Britain has partially complied with this commitment. The UK supports major changes to the system of farming subsidies under the Common Agriculture Policy (CAP).¹⁸⁸ The UK government plans to work to complete the CAP mid-term review to enable the European Union to commit to reductions in agricultural support by the World Trade Organization Ministerial meeting in Cancun, Mexico in September 2003.¹⁸⁹ The UK's objective of reforming international trade arrangements to promote the development of African agriculture will be accomplished through the reduction agricultural subsidies in the WTO context, seeking cuts in other G8 and OECD members' support systems. In order to increase market access for Africa, the UK will work with European Union G8 partners to reduce or eliminate tariff escalation on goods of particular interest to Africa.¹⁹⁰

Special Note: European Union

The EU presented a proposal for WTO negotiations on agriculture, calling for improved market opening and reduction of trade distorting support. The Commission paper proposes to cut import tariffs by 36%, export subsidies by 45% and to reduce trade distorting domestic farm support by 55%. EU Farm Commissioner Franz Fischler said that the proposal meets the objectives agreed at Doha.¹⁹¹ The issue of farm subsidies divides the EU. Germany, Britain and others are in favor of changes while France is eager to maintain the system.¹⁹² Recently, the European Commission condemned the quota and subsidy reforms created by the WTO in preparation for the Ministerial Meeting in Tokyo. The European Commission criticized indirect farm support offered in countries like Australia and the US's emergency aid payments.¹⁹³ At the Paris meetings of the Organization for Economic Cooperation and Development (OECD), world leaders gathered to discuss reforms to world trade. Developing countries expressed their concern over the lack of reform of EU farm subsidies regime. Although the European

¹⁸⁸ Department for the Environment, Food and Rural Affairs, UK response to EU proposals for CAP reform. www.britaininfo.org/agriculture/xq/asp/SarticleType.1/Article_ID.2457/qx/articles_show.htm

¹⁸⁹ Foreign & Commonwealth Office, G8 Africa Action Plan: towards the 2003 summit. www.fco.gov.uk/Files/KFile/G8africaactionplan.pdf

¹⁹⁰ Foreign & Commonwealth Office, G8 Africa Action Plan: UK Implementation up to G8 Summit 2003. www.fco.gov.uk/Files/kfile/uk_g8,0.pdf

¹⁹¹ Europa, WTO and Agriculture: European Commission proposes more market opening, less trade distorting support and a radically better deal for developing countries europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=IP/02/1892|0|RAPID&lg=EN&display=

¹⁹² The Tocqueville Connection, Europe Takes Aim at subsidies for Farmers. www.adetocqueville.com/cgi-binloc/getzip.cgi?0+4210

¹⁹³ "Trade chiefs slate agriculture reforms" BBC News, February 12, 2003. news.bbc.co.uk/2/hi/business/2754605.stm

Commission has committed itself to reforming CAP, some EU members have yet to show a commitment to the plan.¹⁹⁴

2. Canada: +1

Canada has complied with this commitment. Canada is pursuing a trade policy to improve market access and to level the playing field through the current round of WTO negotiations. Within the WTO, Canada is pushing for real and substantial market access improvements and the elimination of export subsidies.¹⁹⁵ Canada is also seeking a maximum reduction of trade-distorting domestic support and addressed the issue in a draft to the WTO.¹⁹⁶ Prime Minister Jean Chrétien announced that Canada would work to open its markets to African imports by eliminating tariffs and quotas on most imports from 48 Least Developed Countries, of which 34 are in Africa, effective January 1, 2003. The Canadian government has also allocated \$20 million for initiatives to increase Africa's trade capacity by working to promote exports within and outside Africa as well as to strengthen the role of African countries and institutions in multilateral trade negotiations.¹⁹⁷ International Trade Minister Pierre Pettigrew stated Canada's aim is to achieve commitments to reduce agricultural subsidies and improve market access for all agricultural products and Agriculture and Agri-Food Minister Lyle Vanclief stated that Canada would work to achieve these goals.¹⁹⁸

3. France: 0

France has partially complied with this commitment. As an entrenched EU member France, has committed to a proposal for WTO negotiations on agriculture to improve market opening and reduce of trade distorting support (See the Britain assessment). However, the French government has not made any specific commitments to reducing farm subsidies in the European Union that predominantly benefit French farmers.¹⁹⁹

*See Britain (Special Note: European Union)

¹⁹⁴ James Arnold, "Progress on world trade deal" BBC News, April 30, 2003. news.bbc.co.uk/2/hi/business/2988941.stm

¹⁹⁵ Agriculture and Agri-Food Canada, www.agr.gc.ca/cb/apf/bgd_comp_e.html

¹⁹⁶ Agriculture and Agri-Food Canada, Modalities for Domestic Support Specific Drafting Input: Canada www.agr.gc.ca/itpd-dpci/english/current/support.htm

¹⁹⁷ DFAIT Canada Helps Build Partnerships with Africa. www.dfait-maeci.gc.ca/jakarta/canada_partnership_africa-en.asp

¹⁹⁸ "Canada Concerned Important Deadline Missed in the WTO Agriculture Negotiations" Agriculture and Agri-Food Canada, April 1, 2003. www.agr.gc.ca/cb/news/2003/n30401be.html

¹⁹⁹ The Tocqueville Connection, www.adetocqueville.com/cgi-bin/loc/getzip.cgi?0+4612

4. Germany: 0

Germany has partially complied with this commitment. As an entrenched EU member, Germany has committed to a proposal for WTO negotiations on agriculture to improve market opening and reduce of trade distorting support (See the Britain assessment). Moreover, the German government has recognized the need to improve economic prospects in the agricultural sector and has promoted the need to increase agricultural productivity in Africa. Germany has stated that countries should express their point of view in regards to the **opening of OECD markets** to agricultural products and the dismantling of the industrialized countries' export subsidies in the WTO negotiating process.²⁰⁰

*See Britain (Special Note: European Union)

5. Italy: 0

Italy has partially complied with this commitment. As an entrenched EU member, Italy has committed to a proposal for WTO negotiations on agriculture to improve market opening and reduce of trade distorting support (See the Britain assessment). However, a specific implementation program in order to improve market access, reduce and possibly eliminate export subsidies and reduce trade-distorting domestic support is currently unavailable.

*See Britain (Special Note: European Union)

6. Japan: 0

Japan has not outlined a specific implementation program in order to comply with this commitment. However, Japan, as a member of the WTO, has made a broad commitment to work toward an agreement in WTO negotiations on agriculture in order to achieve “the maximum possible reduction or elimination of production and trade-distorting domestic support.”²⁰¹ In a speech by Ms. Yoriko Kawaguchi, Minister for Foreign Affairs of Japan, at the United Nations Conference Center she stated that Japan has been working with Africa for the integration and development of Africa. Kawaguchi outlined Japan's basic policy, the Tokyo International Conference on African Development (TICAD) process. Prior to 2003, Japan stated that it intended to take its own initiatives in implementing the Africa Action Plan, but made no mention of policies regarding agriculture.²⁰² In February, the Government of Japan hosted a WTO Informal Ministerial Meeting in Tokyo. The government stated its interest in the success of the Doha Round

²⁰⁰ Federal Ministry for Economic Cooperation and Development, The African Challenge. www.bmz.de/en/media/concepts/afrika/afrika13.html

²⁰¹ DFAIT, Article 3 - Domestic Support. www.dfait-maeci.gc.ca/tna-nac/agsagit/ftaa_negotiating_group-en.asp

²⁰² Ministry of Foreign Affairs, Policy Speech by Ms. Yoriko Kawaguchi Minister. www.mofa.go.jp/region/afrika/fmv0208/ethiopia.html

negotiations. The Japanese government, as host of this meeting, explained its dedication to accomplishing the set goals and advancing the Doha negotiation process.²⁰³ The WTO talks to open up the agricultural sector to free trade worried Japan because of the damage that exposure to its protected rice market would incur.²⁰⁴

7. *Russia: 0*

Russia has not outlined a specific implementation program in order to comply with this commitment. Russia, as a member of the WTO, has agreed to work towards the reduction or elimination of production and trade-distorting domestic support in the area of agriculture.²⁰⁵ Under the Russia-South Africa Joint Intergovernmental Committee for trade and economic cooperation, Russia was engaged in searching for bilateral contacts in agriculture. Russian authorities will soon put South Africa on the list of developing countries enjoying privileges in trade with Russia, but there is no specific reference as to whether this will include the area of agriculture.²⁰⁶ In spite of a lack of information regarding Russia's implementation policies, there are signs that Russia is complying with the commitment to Doha principles. For example, in recent meetings with Canada, Russian Agriculture Minister Aleksei Gordeyev and Canadian Agriculture and Agri-Food Minister Lyle Vanclief discussed sustainable agriculture policy and improving market access for both countries.²⁰⁷

8. *United States: 0*

The United States has not complied with this commitment. The United States has explored a bilateral free trade agreement with Morocco and a regional free trade agreement with the Southern African Customs Union, which would demonstrate a commitment to reducing trade barriers if implemented. The U.S. stated that these negotiations would benefit African nations by opening agriculture markets and reducing trade-distorting farm subsidies.²⁰⁸ In a press conference Secretary of Agriculture Ann Veneman and U.S. Trade Representative Ambassador Bob Zoellick discussed the U.S.' trade proposal for agriculture in the WTO which demonstrated an effort by the United States to try to eliminate agriculture trade barriers.²⁰⁹ While it appears that the

²⁰³ "WTO Tokyo Informal Ministerial Meeting" Ministry of Foreign Affairs of Japan, January 28, 2003.

www.mofa.go.jp/announce/event/2003/1/0128.html

²⁰⁴ "Chaos at WTO farm talks" BBC News, 24 February, 2003. news.bbc.co.uk/2/hi/business/2795307.stm

²⁰⁵ DFAIT, Article 3 - Domestic Support. www.dfait-maeci.gc.ca/tna-nac/agsagit/ftaa_negotiating_group-en.asp

²⁰⁶ Pravda, South Africa makes important decisions to develop trade and economic cooperation with Russia. english.pravda.ru/economics/2002/11/22/39829.html

²⁰⁷ "Canadian and Russian Agriculture Ministers Discuss Trade Agricultural Issues" Agriculture and Agri-Food Canada, May 7, 2003. www.agr.gc.ca/cb/news/2003/n30507ae.html

²⁰⁸ The President and the Whitehouse, Fact Sheet: G-8 Africa Action Plan. www.whitehouse.gov/news/releases/2002/06/20020627-10.html

²⁰⁹ The President and the White House, Press Briefing by Secretary of Agriculture Ann Veneman and USTR Ambassador Robert Zoellick. www.whitehouse.gov/news/releases/2002/08/20020813-8.html

commitment is a work in progress in the U.S., the U.S. farm bill, which increases subsidies and other farm aid to U.S. farmers by more than \$170 billion over the next decade, is seen by the international community as a “step backwards” in agricultural reform.²¹⁰ The President’s recent proposal outlined a plan to continue implementation of a farm program safety net to ensure more farms and ranches receive conservation assistance through increased funding. Just over 40% of all farms receive government payments. At the same time, the US government has pledged to remove trade barriers.²¹¹ At the Paris meetings of the OECD, Zoellick argued that a major obstacle in any global trade reform was Europe’s CAP because it subsidizes European farmers and raises barriers to non-European agricultural goods.²¹²

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²¹⁰ The Tocqueville Connection, Europe takes Aim at Subsidies for Farmers. www.adetocqueville.com/cgi-bin/loc/getzip.cgi?0+4210

²¹¹ "Department of Agriculture" Office of Management and Budget, May 12, 2003. www.whitehouse.gov/omb/budget/fy2004/agriculture.html

²¹² James Arnold, "Progress on world trade deal" BBC News, April 30, 2003. news.bbc.co.uk/2/hi/business/2988941.stm

2002 Kananaskis Final Compliance Report Economic Growth – Free Trade

Commitment:

Working toward the objective of duty-free and quota-free access for all products originating from the Least Developed Countries (LDCs), including African LDCs, and, to this end, each examining how to facilitate the fuller and more effective use of existing market access arrangements; (58: Africa Action Plan)

Background:

This commitment was made as part of the Africa Action Plan. Economic stability for Africa can only be achieved if the members of the G8 give LDCs the opportunity for economic growth through increased trade by decreasing trade barriers. Increased economic stability provides a favourable climate for political and overall stability, which after September 11th, is of paramount importance to the G8 members.

Assessment:

Country	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Britain		0	
Canada			+1
France		0	
Germany		0	
Italy		0	
Japan	-1		
Russia		0	
United States	-1		
Overall			-0.13

Individual Country Compliance Breakdown:

1. Britain: 0

The United Kingdom is currently in the intermediate stages of achieving compliance. There has been official reaffirmation of the commitment, most notably in the Department of Trade and Industry 2003 expenditure plan, which states that “The Department works closely with the Department for International Development (DfID) to ensure that developing countries benefit more from, and participate more fully in, the world trade

system.”²¹³ Further reaffirmation was presented in the 2003 budget presented by the Rt. Hon Patricia Hewitt to the House of Commons, which stated the need to redouble British efforts to deliver on the promises made at Doha, as well as further commitment to the WTO.²¹⁴ Progress includes encouraging a Commonwealth consensus in favour of the development of the multilateral trading system, in particular by alleviating cost barriers that exclude LDCs from full participation in the global market. However, there has been no evidence of internal bureaucratic review (no current consultations are in progress on market-access or quota reduction initiatives), British agricultural subsidies remain high, and tariffs on agricultural imports remain one of the highest of all OECD countries.²¹⁵

2. Canada: +1

The government of Canada has thus far complied fully with the commitment to work toward duty and quota-free access for products originating from the Least Developed Countries. There has been public reaffirmation of this commitment on numerous occasions, in both domestic and international fora, notably in remarks by David Dodge made to the Canada-UK Chamber of Commerce, which stressed the importance of structural change in response to the need for LDC access to industrialized markets.²¹⁶ While all products are not free for export without duties, the Government of Canada’s LDC Market Access Initiative extends duty-free and quota-free access to Canadian imports from 48 LDCs for most goods, excluding supply-managed agricultural products. This initiative takes effect as of January 1, 2003, and is addressed within the context of the Doha Development Round of multilateral trade negotiations.²¹⁷ While further commitment to making existing trade more efficient and conducive to LDC interests is needed, Canada has achieved substantial compliance.

3. France: 0

France has made efforts to increase LDC access to industrialized markets. French Ambassador to Zambia Jean-Paul Monchau yesterday disclosed that the French government will increase its assistance to Africa by 50% in the next five years, due to the fact that Africa’s benefits from multilateral trade liberalization have been marginal. He also called for guaranteed preferential access of African products to developed countries markets for a period long enough to influence positive investment decisions of the private

²¹³ UK Department of Trade and Industry, The Government's Expenditure Plans, 2001-02 to 2003-04, Chapter 8. www.dti.gov.uk/expenditureplan/expenditure2001/objective_c/chapter8/section6.htm

²¹⁴ Budget 2003, presented by Rt. Hon. Patricia Hewitt to the House of Commons, April 14 2003, www.dti.gov.uk/ministers/speeches/hewitt140403.html

²¹⁵ "The Hypocrisy Behind our Compassion," The Guardian Unlimited Observer, October 20, 2002. www.observer.co.uk/comment/story/0,6903,814946,00.html

²¹⁶ "Meeting Global Challenges: The Importance of Sound Economic Policies," Remarks by David Dodge to the Canada-UK Chamber of Commerce, March 12, 2003.

²¹⁷ Government of Canada Department of Foreign Affairs and International Trade, LDC Initiative Backgrounder, www.dfait-maeci.gc.ca/tna-nac/ldc_back-en.asp

sector.²¹⁸ Market access is not universal, however, nor is it expected to be permanent. The proposal issued by the European Commission to open up duty and quota-free access for all LDC exports except arms by 2003 (the “Everything but Arms” initiative) remains a goal that countries are working toward, but have not yet achieved. The European Union pledged last year at trade talks in Doha, Qatar, to reduce tariffs and subsidies that hinder world commerce. However, there has been no agreement yet in world trade talks on reducing farm subsidies (especially in agriculture and fisheries), leaving developed countries increasingly frustrated at the difficulty of market access in Europe.²¹⁹ Despite reforms, European farmers and agricultural firms are still subsidized, particularly fisheries, thereby driving their poorest competitors out of the market.²²⁰ France’s compliance is therefore still in progress.

4. Germany: 0

Germany is in the process of complying with this commitment. External economic policy is a major component of the government’s policy.²²¹ “Alongside the overall treatment of fundamental issues of foreign trade and payments, as well as those of bilateral economic relations to countries outside the European Union, Directorate-General V has included as one of its tasks: the liberalization of foreign trade within the framework of the European Union and the World Trade Organization.”²²²

“On December 16, 2002, the German Government pledged an additional donation of 1 EUR million (about CHF 1.45 million) over two years – 2005 and 2006 – to the WTO Doha Development Agenda Global Trust Fund. This brings the total of contributions pledged to CHF 4.15 million.”²²³ Despite a deal between France and Germany to keep CAP spending unchanged until 2013, which looks like it might “...push reform far beyond the Doha timetable,”²²⁴ Germany announced that it will be “...increasing its support for developing countries by seven percent compared to the previous year.”²²⁵ Thus, Germany has reaffirmed its commitment to developing countries even though it is currently struggling with its own weak economic situation.

²¹⁸ Speedwell Mupuchi, "France to Increase its Aid to Africa by 50%," The Post (Lusaka), March 12, 2003.

²¹⁹ Abimola Akosile, "Stop Farm Subsidies to Help Feed Africa – UN Scribe," This Day (Lagos), March 12, 2003.

²²⁰ "The Hypocrisy Behind our Compassion," The Guardian Unlimited Observer, October 20, 2002. www.observer.co.uk/comment/story/0,6903,814946,00.html

²²¹ Federal Ministry of Economics, www.bmwi.de/Homepage/English%20Pages/the%20ministry/DG05.jsp#service

²²² Ibid.

²²³ WTO, www.wto.org/english/news_e/pres02_e/pr326_e.htm

²²⁴ "The Doha Squabble," The Economist, March 29 2003.

²²⁵ "Germany increases support for developing countries by seven per cent," April 24 2003. eng.bundesregierung.de/frameset/index.jsp

5. Italy: 0

Italy is in the process of complying with this commitment. The Italian government contributed 1 million euros for the year 2002 to the WTO Doha Development Agenda Global Trust Fund.²²⁶ In doing so, Italy is working toward duty-free and quota-free access for all products by using existing market access arrangements by helping LDCs become part of the WTO where they will be able to participate in trade negotiations with other members. As Ambassador Negrotto Cambiso states: it will help LDCs and low-income countries in transition to "...adjust to WTO rules and disciplines, implement obligations and exercise the rights of membership, including drawing on the benefits of an open, rules-based multilateral trading system."²²⁷ Even though the Doha March 31st deadline for freeing up trade in agriculture was missed, Italy remains committed to "...the Doha Development Agenda and to meeting the overall timetable and interim milestones."²²⁸

6. Japan: -1

Japan continues to persist with agricultural subsidies (particularly in the dairy and grain sectors), thus precluding LDC access to its market at equitable prices.²²⁹ Plagued by deflation, a declining trade surplus and a burgeoning fiscal deficit, Japan is currently focusing on internal economic reforms.²³⁰ Therefore no progress has been made on compliance with this commitment.

7. Russia: 0

In order for Russia to be able to comply with this commitment, it first needs to tackle some crucial domestic economic issues – which it is steadfastly doing. Chairman Ambassador Kåre Bryn announced on December 18, 2002, that he feels that the WTO is ready to put in place an accelerated program for accession for Russia – it currently holds observer status. Russia has also recently been taken off the Financial Action Task Force's (FATF) blacklist. FATF is an international group dealing with financial abuse.²³¹ This is a big step for Russia as it shows its serious dedication to becoming a fair market economy and moving away from its money-laundering past. It will bring increased confidence in its financial institutions²³² and its overall economic climate. Russia has also made the

²²⁶ WTO, www.wto.org/english/news_e/pres02_e/pr296_e.htm

²²⁷ Ibid.

²²⁸ "Statement of G-7 Finance Ministers and Central Bank Governors", February 22 2003, Paris, France – found on the G8 Research Group Website: www.g8.utoronto.ca.

²²⁹ "Subsidies Distort Trade," New Vision (Kampala), March 8 2003.

²³⁰ "Falling Trade Surplus Clouds Japan Rebound," Bloomberg News, October 24 2002. [www.iht.com/ihtsearch.php?id=74740&owner=\(Bloomberg%20News\)&date=20021223171814](http://www.iht.com/ihtsearch.php?id=74740&owner=(Bloomberg%20News)&date=20021223171814) and "In Brief" International Herald Tribune, July 17 2002, www.iht.com/ihtsearch.php?id=64667&owner=&date=20020718141056

²³¹ Pravda, english.pravda.ru/economics/2002/10/12/38066.html

²³² Ibid.

elimination of trade barriers as an area that will require its focus.²³³ Further to this, Sergei Lavrov, Russia's Permanent Representative to the UN claims that Russia has abolished customs duties on commodities imports and lifted quantitative restrictions on imports from LDCs.²³⁴ The Ministries of Finance and Trade have yet to corroborate this, and so Russia is left with a Work in Progress for this commitment.

8. United States: -1

The United States has not complied with this commitment even though some positive steps have been taken over the past year. It took a giant step towards increased power for its President in trade negotiations as the Trade Promotion Authority (TPA) was approved by Congress in the summer of 2002. This gives the President the ability to negotiate new trade deals.²³⁵ Previous TPA had lapsed in 1994, which sidelined the U.S. while other countries brokered trade deals.²³⁶ Former Director-General of the WTO, Mike Moore commented that the new TPA would forge WTO negotiations ahead.²³⁷ Overall, this means that the U.S. will be better equipped administratively to comply with its G8 trade commitments. At Global trade negotiations in December, however, little progress was made on some very important issues that would help eliminate trade barriers. "The question of whether developing countries have the right to override foreign patent protections for essential medicines has become an overarching issue."²³⁸ This is a contentious issue in the U.S. where industry lobby groups apply pressure to the government.

The American Farm Bill signed last May which increased subsidies to farmers by 80% has also been a point of contention for other WTO members. The U.S. has made some significant progress, however, with respect to the agricultural issues, which were considered to be the main contributor to the missed March 31st Doha deadline. "The Americans want to phase out export subsidies over five years, to cut subsidies to 5% of the value of farm production and to slash tariffs to no more than 25%."²³⁹ What also needs to be addressed however, is a protective tariff on steel imports, and the fact that "recently, subsidized U.S. cotton on world markets took away more than 1% of GDP from...very poor African countries highly dependent on cotton production."²⁴⁰

The U.S. would be considered in the process of complying with this issue because of its efforts to reduce tariffs and barriers (albeit so far unsuccessfully) since the last summit,

²³³ Pravda, english.pravda.ru/politics/2002/06/10/30087.html

²³⁴ www.ln.mid.ru/B1.nsf/arh/B47750523A80C4F143256C47002DD452?OpenDocument

²³⁵ ustr.gov/releases/2001/06/01-37.htm

²³⁶ www.tpa.gov/Call-to-Action.htm

²³⁷ WTO, wto.org/english/news_e/pres02_e/pr308_e.htm

²³⁸ *New York Times*, query.nytimes.com/search/article-page.html?res=9B02EEDA103BF934A35751C1A9649C8B63

²³⁹ "The Doha Squabble," *The Economist*, March 29 2003.

²⁴⁰ Birdsall, Nancy and Michael Clemens, "From Promise to Performance: How Rich Countries Can Help Poor Countries Help Themselves," Center for Global Development April 2003, Volume 2, Issue 1.

however due to its dumping of 5 farm commodities into the global market, ie. “exporting wheat at prices 40% lower than production costs”²⁴¹, they therefore receive a lack of compliance. Dumping goods has 2 significant effects on the LDCs, whose main industries are agriculture: “below-cost imports drive developing country framers out of their local markets, and farmers who sell their products to exporters find their global market share undermined by the lower-cost competition.”²⁴² Dumping is also a violation of WTO trade rules.

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²⁴¹ "The Great Grain Drain: U.S. Floods Global Markets," The Trade Observatory. April 23, 2003, www.tradeobservatory.org/News/index.cfm?ID=4309

²⁴² "Dumping of U.S. Ag Commodities Hurting Farmers in U.S. and Around the World," Press Release from the Institute for Agriculture and Trade Policy. February 11 2003. www.wtowatch.org/library/administration/uploadedfiles/Press_Realease_Dumping_of_US_Ag_Commodities_Hur.htm