

**Commerce Minister Statement**  
**Cairns Group Ministerial meeting at MC 10**  
**14<sup>TH</sup> December 2015**

Excellencies,

This group has always been active in setting a reform-oriented agenda for Agriculture negotiations. I am made to believe we have not succeeded in achieving any deliverable for Agriculture for MC-10, I am somber but not disappointed, for the reason, that rather than having any retrogressive outcome, it is advisable to agree to work in future on an agenda which is, sustainable, reform oriented and in line with challenges of 21<sup>st</sup> century.

We must persist for an agriculture package which delivers genuine agriculture trade liberalization, treats market access as a priority, provides a market driven and science based solutions to challenges that we have. We have to be extremely careful with the carve outs, the final destination for all must be well functioning market oriented approaches. Carve outs for the biggest exporters would be detrimental for the food security of million of small farmers in the poor countries with no fiscal space to subsidise agriculture.

Pakistan also shares the disappointment that we have not been able to achieve convergence despite the low level of ambition on export subsidies. It is not advisable to create any linkage between one element of market access pillar with the full pillar of export competition.

In our view PSH is not ripe for MC-10, a dispassionate reading of Bali decisions shows that Ministers in Bali agreed to find a solution by MC-11, the general council decision again reiterated MC-11, and urged for the best endeavor and constructive engagement ---which has been there to the optimum---there is no obligation to find permanent solution by MC-10. Seeking a Permanent Mechanism for Food Security at Nairobi, in fact negates the Bali Ministerial Decision itself –

We restate the fact that Public Stockholding Program for Food Security is at our heart. It is critically important to millions of poor farmers thriving on subsistence

agriculture. In its current form, it will be a hard sell to our constituents; it has serious adverse unintended consequences impacting our economy.

Chair:

Addressing food security is a complex subject and requires much more than stockholding. The proposed permanent solution has elements that undermine our farmers' livelihoods—hence in our view it is not a solution; it is a problem. At present general consensus amongst our stakeholders is that market price support programs of one country have a negative effect on the food security of other countries. It works as a production incentive, not only inducing unsustainable production, but eliminating small exporters in third country markets. It is evident that country's global trade share plays a critical role here.

We need a robust Post-Nairobi dialogue keeping in view all perspectives of food security on the table

I would encourage all Geneva based delegates to remain engaged on the bases of the progress achieved so far. WTO is the only institution which provides us the opportunity to work on agriculture subsidies, production as well as trade distortion. We cannot afford any failure to address these distortions. I belong to a rice growing constituency and poor farmers of my area do not receive any market price support. We have been through the pain of reforms but we know that it ultimately pays.

If we fail here in addressing agriculture reform or decide to go backwards, we will not be serving the poor or the hungry. We will end up undermining the basic principles of development that we want to up hold.

SDGs and Climate Treaty is an affirmation of the need to eliminate trade distorting subsidies, it needs to be seen as a triple win approach.

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