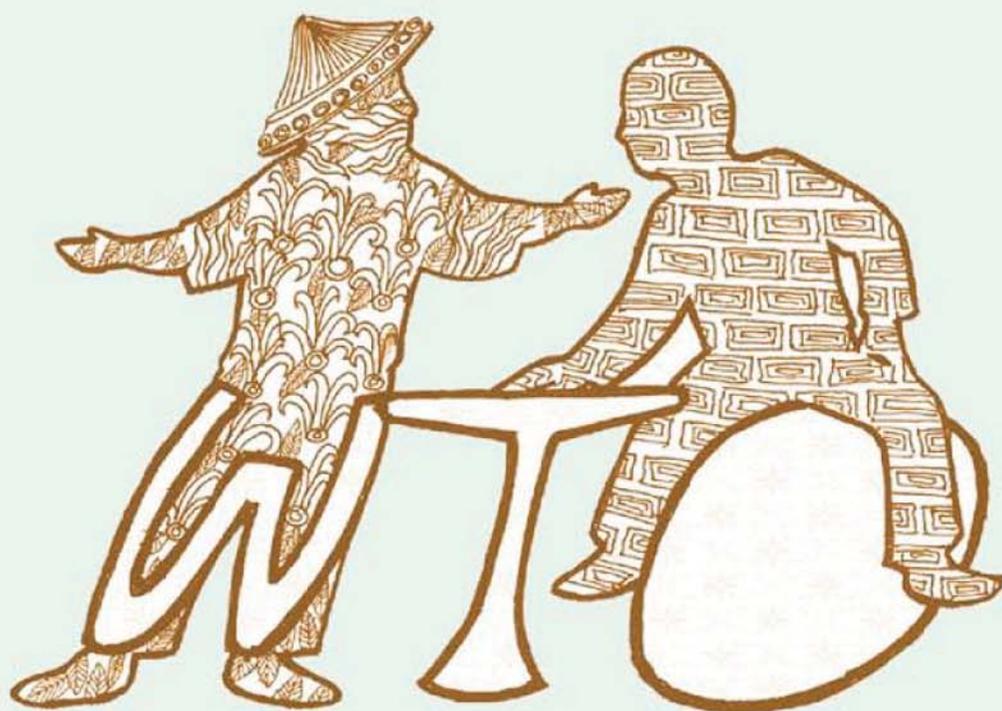


Possibilities of Working Together for Fairer Agricultural Trade

A CIVIL SOCIETY-GOVERNMENT DIALOGUE



A JOINT PUBLICATION OF AFA AND ASIADHRRRA

**Civil Society – Government
Dialogue:
Possibilities of
Working Together for
Fairer Agricultural Trade**

.....
March 1 – 2, 2005, Chonburi, Thailand

CONFERENCE PROCEEDINGS

PUBLISHED BY:



Asian Partnership for the Development of
Human Resources in Rural Asia (AsiaDHRRA)

IN PARTNERSHIP WITH:

Asian Farmers' Association for
Sustainable Rural Development (AFA)



AUGUST 2005
QUEZON CITY, PHILIPPINES

**CONFERENCE PROCEEDINGS of the
Civil Society – Government Dialogue: Possibilities of
Working Together for Fairer Agricultural Trade**

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FOREWORD

The sixth Ministerial Conference of the World Trade Organization is scheduled in December 2005, in Hongkong. Agriculture, through the Agreement on Agriculture (AoA) undertaking, is still top of the agenda. With Asian farmers bearing the brunt of lopsided global agricultural trade policies, this sector should be well-informed about developments on this issue and should be involved in the discussions at both the national and international levels. The continuing alliance of developing nations forged during the WTO Ministerial Meeting in Cancun, Mexico, such as the G20 and G33, have to be encouraged, and this encouragement can come from civil society groups who have positive engagement with their own governmental negotiators.

The Asian Partnership for the Development of Human Resources in Rural Areas (AsiaDHRRA) and the Asian Farmers' Association for Sustainable Rural Development (AFA), jointly organized this dialogue as part of their efforts to increase the awareness of their leaders about the developments in the current WTO round of talks as well as to engage like-minded trade negotiators and civil society leaders at the regional level on how best to approach trade talks such that small farmers in their countries can be better protected and be able to reap more benefits from global trade.

Participants to this dialogue, entitled, "Civil Society-Government Dialogue: Possibilities of Working Together" came from participants to two activities dovetailed with each other. The first was "Second Asian Leaders' Dialogue (ALD)", attended by leaders of various non-government organizations in Asia. The second activity was "Thailand Farmers' Exchange Visit (FEV):

Farmers' Sustainable Initiatives and Advocacy in Response to Globalization Challenges," attended by farmer leaders and their translators. This dialogue was the first part of these two activities. The ALD activity ran until March 5 and the FEV until March 8. The dialogue was a joint activity of both AsiaDHRRA and AFA.

We were encouraged by the results of this dialogue. Building on this, we are conducting follow-up dialogues both at the country and regional levels, from September to November 2005. AFA and AsiaDHRRA members are jointly cooperating in a WTO 2005 campaign which seeks to increase awareness of more farmer members on WTO issues and their capabilities to engage their governments on international issues that affect their lives.

The Editors



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Highlights of Day One



Gearing up to Influence Government's Position on WTO Agricultural Trade

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Day One: 1 March 2005

Introduction

Participants to the two day activity entitled, "Civil Society-Government Dialogue: Possibilities of Working Together" came from participants to two activities dovetailed with each other. The first was "Second Asian Leaders' Dialogue (ALD)", attended by leaders of various non-government organizations in Asia. The second activity was "Thailand Farmers' Exchange Visit (FEV): Farmers' Sustainable Initiatives and Advocacy in Response to Globalization Challenges, "attended by farmer leaders and their translators. This dialogue was the first part of these two activities. The ALD activity ran until March 5 and the FEV until March 8. The dialogue was a joint activity of both AsiaDHRRA and AFA.

Disposition of Gratitude: Opening Activities

Day One of this consultation-dialogue began with an attitude of gratitude. Old friends were thankful to meet once again and new faces were welcomed into the circle of dialogue. Fifty-six leaders from non-government organizations (NGOs) and farmer's organizations (POs) from eleven countries in Asia gathered in Pinnacle Resort Hotel, Chonburi Province in Thailand for a two day activity focused on global agricultural trade concerns, particularly the Agreement of Agriculture of the World Trade Organization (WTO).

The opening prayers by Mr. Sambito, Chairperson of Aliansi Petani Indonesia (API) and Dr. Boy Mercado, Executive Director

of Southeast Asia Rural Leadership Institute (SEARSOLIN) were said in Bahasa and English respectively; though both echoed the voices of gratitude for the opportunity to learn from each other once again.

The welcome remarks from Mr. Soetrisno Kusumohadi (AsiaDHRRA Chairperson) commenced with words of gratitude, too. Thanking all the participants for joining the dialogue, he explained how this particular workshop sought to respond to the calls and challenges of the first Asian Leaders Dialogue workshop in Cyberjaya, Malaysia in 2003. He explained the expressed need then for a mechanism that will sustain the dialogue on urgent leadership concerns such as globalization and world trade. This second dialogue, he said, was an effort towards such a sustained effort; and there were expectations that through this, solidarity among Asian NGO leaders will be further strengthened, especially as the leaders faced the demand for stronger advocacy.

Echoing Soetrisno's message of thanks, Ms Sudaporn Sittisathapornkul, Vice Chairperson of AFA and Chairperson of Sor Kor Por, a national farmer's federation in Thailand and also AFA member, also welcomed the participants to Thailand. She shared Sor Kor Por's gratefulness for the opportunity to play host to an important network event and its good intentions to do its best to make the workshop a successful one.

An orientation of the ALD and FEV activities was given by Ms. Marlene Ramirez, AsiaDHRRA Secretary General. She situated this consultation-dialogue on WTO with the objectives of the two back-to-back activities. She said that for the ALD activity, the WTO dialogue served as a response to one of the needs that surfaced during the first ALD – the need to bridge the gap between government trade negotiators and the people. For the FEV, it served as an opportunity for AFA's farmer leaders to promote one of its 8-point agenda: promote just and fair treatment for farmers. She added that the WTO dialogue hoped to deepen their understanding of WTO-AOA issues and increase their skills in articulating these issues and in formulating recommendations.

Gears up: Influencing Government Positions on WTO Agricultural Trade

To properly put into context the whole day's activities, Ms. Esther Penunia, AsiaDHRRA Advocacy Officer, explained the session objectives and schedule. She said that the whole day was basically devoted to preparing for the next day's dialogue with agricultural trade negotiators. According to her, there were three main session objectives:

1. to increase the awareness of Asian farmers and NGO leaders about the developments in the WTO round of talks leading to the next WTO Ministerial Meeting in Hong Kong;
2. to engage the government trade negotiators in firming up governmental positions in WTO; and
3. to link like-minded trade negotiators and civil society leaders at the regional level and strategize how best to approach trade talks so that small farmers can be better protected.

To start off the process, Ms. Penunia shared that under the AsiaDHRRA cooperation with SEACA (Southeast Asia Committee on Advocacy), country consultations and dialogue with government trade negotiators were conducted in Cambodia, Thailand, and the Philippines. The results of these would be presented and shared. AFA members from South Korea and Vietnam volunteered to share highlights of the dialogues they had also conducted as part of their on-going engagement with their governments.

Country Reports

Cambodia. For the report on the consultation process in Cambodia, Mr. Sil Vineth, President, Cambodia NGO Alliance for Cooperation (CNAC), an AsiaDHRRA member, shared the following highlights:

CNAC organized a national WTO dialogue last November 4-5, in Phnom Penh, attended by around 25 participants, for two days. During this dialogue, the participants learned that the



South Korea. Meanwhile, Gi Cheol Kim, Vice Chairman of the Korean Advanced Farmers' Federation, AFA member in South Korea, shared that his organization's dialogue with the trade negotiators from the Ministry of Agriculture was need-based. In 2004 alone, it held four such consultations. Last November 2004, KAFF organized a nationwide farmers' meeting and censured the Korean Government's position on its rice trade. The government trade negotiators were concentrating on finalizing the negotiation for rice trade with nine major exporters that included USA, China, and Thailand. Meanwhile, Mr. Kim said that Korean farmers still have difficulty understanding WTO and are poorly prepared for the trade negotiations.

Vietnam. Ms. Hoang Thi Dieu Tuyet, First Vice Chairperson of Vietnam Farmers' Union, an AFA partner, shared that Vietnam was not yet a member of WTO. However, given its ASEAN membership, Vietnam was implementing its commitments vis-à-vis AFTA. So far the farmers' union observed that the prices of agricultural products were increasing albeit very slowly. The price of agricultural inputs on the other hand increased quite high. Another observation was the lack of market for the farmers' products. VNFU however is facing these challenges. According to Ms. Tuyet, VNFU leadership was engaged in propaganda and communication to increase members' awareness of the WTO and AoA. Furthermore, the capacity of the farmers' organizations were being developed along technology transfer and marketing.

Regional and International Developments on the WTO Agricultural Trade Talks

After the country reports, Ms. Penunia shared relevant information and highlights of her participation in the International Consultation Meeting of Civil Society, held last February 26-27, in Hongkong, organized by the Hongkong People's Alliance Against WTO (HKPA). The objectives of the meeting were to (1) coordinate plans of various advocacy groups before and during the WTO Ministerial Conference in Hongkong

and (2) plan for common mobilizations during the Action Week (December 13-18). Ms. Penunia said that the conference was a good avenue to share information/updates and link with groups sharing the same advocacies. Many of the participants in this Hongkong meeting agreed to implement WTO campaign activities, mobilize their groups and help put up campaign machinery with HKPA as lead group. Ms. Penunia then posed several questions to the participants: Will we participate or not? If yes, in what form? What do we intend to do during the week of the Ministerial Meeting?

A synthesis, as follows, from the country reports and updates, prepared by the documentation team, was then shared to the group. From the country reports and the international updates presented, it was found out that:

Government positions on WTO generally included the following:

- the view that WTO membership and participation in global trade are crucial factors in attaining national development
- national commitments are being pursued actively on full scale (for non-members, preparation going on)
- there is openness to further negotiation and dialogue with civil society as negotiations within WTO also take place

Civil Society on the other hand had the following positions:

- WTO membership does not benefit the rural poor; many farming communities are vanishing because of massive urban migration
- there are no clear economic gains attributable to WTO accession
- government policy changes related to WTO commitments are not being communicated clearly to the affected sectors

There are three main bodies of specific national proposals:



- Civil society offers good viable on-ground alternative development models and governments are asked to recognize and learn from these in the context of their policy reviews and changes.
- Governments should engage civil society in dialogue, consultations, and negotiations before pursuing policy changes in trade.
- Government should support farmers in their efforts to engage them about WTO matters.

Country Buzz Groups and Open Forum Highlights

Each country, using the information shared, was asked to discuss the summary proposals. They were asked to (1) identify which reinforced the specific national proposals and which contradicted and (2) suggest some action points. Highlights of country buzz groups were:

- It was noted that imported Thai rice was very cheap in Indonesia and local farmers had a difficult time competing with it. However, in Thailand itself, the Thai rice was even cheaper. According to the Thai participants, this was because of heavy government subsidy for inputs. This didn't mean though that Thai farmers were not suffering from the effects of WTO because they encountered the same concerns that farmers from Indonesia and the Philippines faced.
- There was a realization of the need for a deeper study on rice given the complex issues affecting it. In Malaysia, the government allocated specific areas for rice farming and these were heavily subsidized. Meanwhile, other Malaysian farmers bore the brunt of the reduction of subsidies that the government did impose.
- In Japan, the current challenges were not limited to protecting agriculture but also in promoting farming, and organic farming at that. Very few had engaged in farming and the farming population was also ageing. The question



was how to increase the farming population. The country also faced the effect of the massive use of chemicals in farming to which the rise in cancer cases was being attributed. AinoKai, AFA partner in Japan, is into organic farming to protect people's lives and is active in educating the public about farming and the need to preserve this.

- While it was important to affirm the process of engaging government trade negotiators in dialogue and consultation, there was also the challenge of facing the contradictions in our own positions. NGOs were often criticized for looking at the whole debate from a narrow or very sectoral perspective. For instance, in the Philippines, the debate on what products should be included in the sensitive list encountered multi-sector concerns that pit the interest of one sector with that of another (e.g. sugar farmers vs. sugar consumers). The government always claimed it needed to balance the interest of both producers and consumers. There was a need to discuss food security issues in the country and clarify if people wanted to subject food to market forces or protect it in the interest of self-sufficiency.
- Government position on WTO seemed too positive and this was alarming. Meanwhile, farmers were either uninformed or misinformed about WTO.
- In managing the challenging situation arising from global trade, good governance was important. The government should be encouraged to ensure distribution of resources and benefits while seeing to it that representatives from civil society and farmers' groups were participating in the consultations and decision-making.
- The exploitation of farmers was a problem found everywhere and was common in all countries. The issues of farmers needed to be linked to other concerns such as gender and health and possibly war. Later on it is possible, when the situation worsens, food scarcity and related problems brought about by WTO will lead to conflicts and war.



Preparation for the Dialogue with Trade Negotiators

The participants agreed that a list of national and regional proposals will be presented to the government negotiators during the dialogue the following day. A small group composed of a representative from each country was tasked to finalize a draft by the secretariat.

A Fruitful Day

Calling it a day, Mr. Bui Quang Toan, AsiaDHRRA Vice Chairperson for Mekong, and Ms. Sudaporn shared their closing remarks on a common metaphor. Both mentioned how the sharing by different countries had given everybody wider perspective on the situation. The day was described as very fruitful and at the same time challenging, given the questions that also arose. Thanking everybody for their contributions to making the day a very productive one, both called the session adjourned.

CAMBODIA



Country Report

Input from Cambodian NGOs for NGO Dialogue on GO Negotiator to WTO

Prepared by

Sil Vinéth, President, SEDOC

1. General overview

Generally, making business is a very good channel to improve the standard of living of peoples. But it also has imbalance trade sometimes.

Generally, the richer always gets more incomes or profit from the poor. Cambodia is a poor country in ASEAN and we think that we will get less benefit if compared to other countries in region, such as Thailand, Malaysia, Indonesia, Singapore, etc.

Cambodia has been a member of WTO since 13 October 2004. The WTO cannot claim to make all countries equal. But it does reduce some inequalities, giving smaller countries more voice.

There are matching benefits for larger countries. The major economic powers can use the single forum of the WTO to negotiate with all or most of their trading partners at the same time. The WTO frees the major powers from the complexity of having to negotiate trade agreements with each of their numerous trading partners. This makes life much simpler for the bigger trading



countries. The alternative would be continuous and complicated bilateral negotiations with dozens of countries simultaneously. And each country can end up with different conditions for trading with each of its trading partners, making life extremely complicated for its importers and exporters.

2. An analysis of government position and policy in WTO

Cambodia submitted, on 22 July 2003, its acceptance of the terms and conditions of membership set out in the Accession Protocol which was approved by the Ministerial Conference on 11 September 2003 and signed by Cambodia, subject to ratification.

Cambodia became the 148th member of the WTO on 13 October 2004. Cambodia is the second Least Developing Country (LDC) after Nepal, to join the WTO through the full working party negotiation process; and brings the current number of least-developed countries in the WTO to 32.

If all goes well, Cambodia should improve market access, and also send a strong signal to trade and investment partners about Cambodia's future direction.

Food production in Cambodia is slowly improving. Between 1980 and 1996, farmers almost doubled the area on which they were growing crops. Yields of rice, Cambodia's main staple food, shot up by 64 per cent, while pork, beef and poultry production expanded rapidly.

But despite this recent progress, Cambodia remains a very poor country, and many of its people still suffer from food insecurity. Even after a 21 per cent jump since 1980, Cambodians' average food intake in 1996 is scarcely enough to meet the minimum daily requirement.

More than one-third of all households fall below the poverty line. The country's poverty is reflected in the lack of diversity in people's diets. Almost 80 percent of the average daily calorie intake comes from rice.



food market which give more opportunity for richer businessmen of other countries to have more influence on Cambodia farmers, to depend on them, make profit from them through trading, etc.

- Imported food products are cheaper than local products; these are difficult for national farmers.
- Support services of Cambodian government are not clear and too weak which cannot protect their farmers from external exploitation by trading.
- Farmers will sell their lands to foreign traders and then look for employment in town; and finally become part of the labor humanpower in their poor country because of Dollars.
- Young generation will come to look for employment in the city, forget farming, forget their culture, make bad environment in cities and finally become workers of companies.
- For some powerful persons, free trade means “we and others can come to make trade in Cambodia freely without any requirement from government” , and the rich can do many things and the government does not make any intervention for the poor.

4. How to protect and solve the coming bad situation

We, local NGOs, are trying to do something to minimize the bad situation which will fall on our small farmers as follows:

- Develop Agricultural project, form farmers’ associations and self help groups such as rice bank, animal bank, poultry bank, etc. in order to protect themselves from external dominances.
- Lobby to national government to setup agricultural policy, food policy, which will enable local farmers and protect them from any improper situation which can happen to them.



- Establish model farms, and farming skill centers in order to educate and train farmers to become expert farmers with strong concept of self reliance, self initiative, etc.
- Establish farmer shops and look for fair trade service for our members/farmers.
- Teach Food processing technologies to process the surplus agriculture products for trading and local consumption.

5. Recommendation

- We request the Cambodian government to consider the above consequence which will be faced by our farmers and look for ways to relieve them from bad situation, put them in good position for trading. Sometimes, we get the wrong results from our goals and objectives of project.
- AsiaDHRRA also should also play a role in the negotiations with Asia-Pacific governments to protect our farmers and get benefit from agricultural trade.



Appendices:

- 1. Community solution, international trade gateway, Ministry of Commerce, 2005, Cham Prasit, Minister of Ministry of Commerce

Global eXchange Services (GXS), 2005





2. Food security plan of Cambodian government, planned by foreigner

Increase Food Security

Target

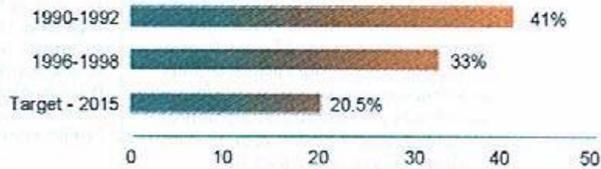
Halve the proportion of people who suffer from hunger between 1990 and 2015

Goal

Increase Food Security

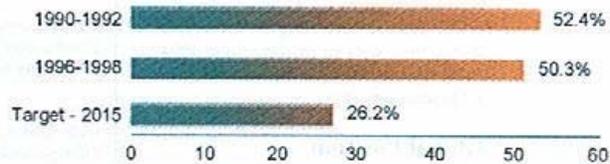
Indicator

Proportion of population below minimum level of dietary energy consumption



Indicator

Proportion of under-weight children aged under 5



World proportion of under-weight under-5 children (%) - 30%
(Source Global HDR 2000)



3. CNAC meeting on 4 and 5 November 2004 for
AsiadHRRRA Dialogue on GO Negotiator to WTO



PHILIPPINES¹

Country Report

Focus Group Discussion Developments on WTO Agri Trade Negotiations

PAKISAMA and PhilDHRRA
October 18 , 2004
Quezon City, Philippines

❖ Objectives of the FGD

- To update PAKISAMA farmer leaders and PhilDHRRA / AsiaDHRRA staff on developments of WTO agri trade negotiations
- Level off on government's positions on WTO trade
- Identify mechanisms for engagement with government regarding positions on WTO agri trade

❖ Participants

- 4 farmer leaders from PAKISAMA
- Ernesto Ordonez from Alyansa Agrikultura and former Undersecretary of Agriculture
- 1 from Kilusang Mangingisda (a national coalition of fisherfolk groups)
- 8 NGO leaders from PhilDHRRA and AsiaDHRRA

¹ From a power point presentation material presented by Mr. Rene Cerilla, Vice President, PAKISAMA



❖ **Resource persons:**

- Mr. Noel Padre, Director, Policy Research Studies, Research and Regulations, Department of Agriculture
- Riza Bernabe of Philippine Peasant Institute
- Joy Chavez of Focus on the Global South
- Joseph Purugganan of Focus on Global South

❖ **What we learned : negotiating blocks in WTO**

- Developed countries
 - European Union
 - United States of America
 - G10 – Japan, Switzerland, Norway, ++
- Developing countries
 - G20: Argentina, Bolivia, Brazil, Chile, China, Cuba, Egypt, Guatemala, India, Indonesia, Mexico, Nigeria, Pakistan, Paraguay, Philippines, South Africa, Thailand, Venezuela, Zimbabwe
 - pushes for reduction of trade distorting subsidies or no further deals at all
 - G33 or the SP and SSM Alliance: Barbados, Botswana, China, Cuba, Congo, Cote D'Ivoire, Dominican Republic, Haiti, Honduras, Indonesia, Jamaica, Kenya, Korea, Mauritius, Mongolia, Mozambique, Nicaragua, Nigeria, Pakistan, Panama, Peru, Philippines, Senegal, Sri Lanka, Tanzania, Trinidad and Tobago, Turkey, Uganda, Venezuela, Zambia, Zimbabwe
 - Pushes for Special products: products that play crucial roles in a country's food security and rural development can be exempted from AoA or liberalization



- Pushes for special safeguard mechanisms that developing countries can use to address or mitigate adverse effects of liberalization
- G 90 ACP Africa Group
- CAIRNS group
- ❖ **What we learned : Philippine government's negotiating processes**
 - Undersecretary Serrano of Department of Agriculture is chief agricultural negotiator
 - All his negotiation points are being cleared by the President of the Philippines
 - Usec Serrano is assisted by TF WAR, a think-tank composed of NGO, business groups. TF WAR recommendations are forwarded to the Secretary
- ❖ **Analysis on the July Framework**
 - Good provision : sets commitment to a reduction trade distorting export subsidies by developed countries
 - But : It still allows for still high agricultural subsidies by developed countries
 - But : expanded the blue box to include direct payment
 - additional 5% de minimis
 - But : No clear provision on the use of Food Aid
 - But : Lack of details in the implementation of SP and SSM concepts
- ❖ **Advocacy groups concerned with WTO**
 - Stop the New Round! Coalition positions :
 - reject the July framework
 - Philippine government should be made accountable



❖ Action Points

- The need to study the effects/impact of globalization and WTO to farmers and fishers
- More debate on do we really want no agricultural subsidy?
- Need to popularize more WTO issues
- Need to engage the government; activate membership in TF WAR
- Need to have crop based groups who can negotiate with government – not just political groups. These crop based groups should be able to argue in economic terms.
- Need to develop models on sustainable development and to mainstream sustainable, community based agriculture
- More farmer and NGO groups should likewise involve in anti-smuggling activities

THAILAND¹

Country Report

Summary of Dialogue Agriculture Policy on the New Round of Trade Negotiation of WTO

November 8, 2004

Office of Sor Kor Por

Organized by Sor Kor Por

Supported by

AsiaDHRRA, AFA, SEACA and Agriterra

- ❖ **Participants:** A total of 30 participants from the sectors of government, education/academe, farmers' organizations both at the local and international levels (Sor Kor Por and La Via Campesina) , and non-government organizations
- ❖ **Inputs by participants from Government :**
 - The representative of the Department of Trade Negotiation said that the Thai government has accepted the July Package as the framework for the new round of negotiations leading to Hongkong and hopes to have benefits from the results of the new round of talks.
 - The representative from the Division of Policy and Planning said that the trade negotiators are trying to close the weak points. They also need to take a better look at the macro view while decreasing negative effects to small farmers.

¹ From a power point presentation material, presented by Mr. Kanisorn Punyaprasiddhi, Office Manager, Sor Kor Por



- ❖ **Inputs from the Education Sector:** The participants from the education/academe said they hoped that WTO would solve the problems but in reality, it did not. There is distrust between developed and developing countries. Rich countries give more subsidies to their farmers than the poor countries. It is important to build farmers' awareness and to make this a national agenda.
- ❖ **Inputs from La Via Campesina** – The representative from La Via Campesina said that free trade was a new tool being used by developed countries and big international companies to colonize developing countries. La Via Campesina does not accept any WTO agreement. Instead it pushes for food sovereignty – the right of every country to produce and protect its food to meet the demands of its population. It also supports sustainable agriculture . For the most part, WTO has just made Thai farmers more indebted, and therefore, poorer.
- ❖ **Conclusion**
 - **On Free Trade:**
 - Government is forced by large international companies who have direct backing of presidents of powerful countries
 - In free trade agreements, there should be equal power among parties.
 - Issues like trading of products using GMOs should be addressed
 - Small farmers do not have any benefit ; they are in fact, heavily indebted
 - Stand point of farmers are not disagree and protest
 - **On farmers**
 - Most of them do not know anything; they will believe their leaders who have relationship with government and government body.



- they should not close their mind and should open for information
- farmers have to build negotiating powers to government and have to construct Central Market for Agriculture product in each province.

❖ **Recommendations to government**

- Negotiation must be based on national, small peoples' benefit. There is no need to attend in every negotiation events because in some of these, we lose more than gain from them.
- Listen to peoples voice
- Give true and timely information about the WTO negotiations and impact.
- Create a working group that can plan on the negotiation points; this should have representatives from the peoples' sector as well.
- Should have working group take respond on planning and should be "National Agenda" giving for right way
- Do not reject any research and technology but be careful where and whom to use if for .

Highlights of Day Two

2

Regional Dialogue with Government Negotiators on WTO-AoA

.....
Day Two: 2 March 2005 (9:00 am to 1:30 pm)

Government Panel:

- Mr. Noel Padre
Director, Policy Research Studies, Research and Regulations, *Department of Agriculture, Philippines*
- Mr. Tuot Saravuth
Deputy Director, Planning, Statistics and International Cooperation, Ministry of Agriculture, Forestry and Fisheries, Cambodia
- Mr. Han Young Jeon
Officer, Ministry of Agriculture and Forestry, South Korea
- Mr. Phadol Panthaworn
Policy and Plan Analyst, Bureau of International Agricultural Economics, Office of Agricultural Economics, Ministry of Agriculture and Cooperatives

Learning and Listening: The Other Side Speaks

After the brief welcome remarks from Mr. Chaiwat Suravichai, Secretary-General of Sor Kor Por, the guests were welcomed and oriented on the day's objectives by Ms. Ramirez. She said that during this dialogue, perspectives will be shared,



recommendations forwarded and action points formulated to strengthen engagement of civil society groups in WTO processes. Four government trade negotiators attended the dialogue. They were given the task of presenting their governments' perspectives on the prospects and challenges for WTO to support fairer trade.

Highlights of the Report from Philippine Government

By Noel Padre *Director, Policy Research Studies, Research and Regulations, Department of Agriculture, Philippines*

WTO trade negotiations cannot be participated in by government trade negotiators alone. In the case of the Philippines, a task force composed of experts and civil society representatives supports the negotiation process by giving technical inputs and feedback. Full trust of the political leadership and the stakeholders to the negotiating team is necessary in the process.

The government has its priorities in the negotiations and there is a well-defined agenda and objectives. During the negotiations, it is important that effective and working broad alliances are made with like-minded governments. It is a challenge to cope and prevail as a united front in a very detailed and technical discussion. Thus, civil society must play a significant role beyond parallel discussions to the negotiations. The united front of civil society must be able to define, in consultation with developing country blocs, a framework of engagement covering all the issues, inclusive of substantive and technical support.

Highlights of the Report from Cambodian Trade Negotiator

By Mr. Tuot Saravuth, *Deputy Director, Planning, Statistics and International Cooperatrion, Ministry of Agriculture, Forestry and Fisheries*

Cambodia is only the second least developed country to be accepted as a member of WTO. The country applied for

membership in October 1994 and the signing of protocol of accession was done in September 2003.

The country too has clear negotiation objectives and agenda especially vis-à-vis its agricultural priorities. Targeting the development of its agro-industry, the government defined its action points given the WTO commitments. The strategies for the future include: export diversification basis; basis for upgrading production; develop Agro-Industry; improve and increase agricultural productivity; and promote and provide incentive to private sector for export.

Highlights of the Report from South Korean Trade Negotiator

By Mr. Han Young Jeon, *Ministry of Agriculture and Forestry*

South Korea is part of the G33. As such, it advocates for balance and equity during the negotiations. The government's positions include having rice, its staple food, included in the special product measure. It believes that special product is more flexible than sensitive product list. It also thinks that SSM is important but there are no details yet in the framework. It should be adapted to all special products. Among the government priorities is the protection of small farmers through subsidy under the green box. With the current Minister of Agriculture who was former chairperson of KAFF, there are more efforts now from the ministry to engage farmer leaders through yearly consultations and dialogues. The Ministry is also putting a 190 billion dollar investment to reform the agricultural sector.

Highlights of the Report from Thai Trade Negotiator

By Mr. Phadol Panthaworn, *Policy and Plan Analyst, Bureau of International Agricultural Economics, Office of Agricultural Economics, Ministry of Agriculture and Cooperatives*

It is the view of the Thai Government that trade liberalization resulting from the WTO negotiations will benefit farmers in developing countries like Thailand. In particular, there will be

the increase of prices on agricultural commodities under the fairer agriculture trade.

In line with the technical negotiations, the Ministry is tasked to arrange meetings involving all line agencies under it, representatives from the private sector and stakeholders. Its objective is to inform them on what goes on in the current round of the negotiation. In addition, it also arranges the “single-commodity-approach” public hearing to get feedbacks/solutions from all stakeholders, including small-scale marginal farmers. With careful consideration of the advice and feedbacks received, the analysis and results are forwarded to the trade negotiators for further action.

We Speak: Proposals put forward to Governments in Asia

After listening to the trade negotiators' presentations, the participants informed them of the earlier process that resulted in yesterday's consultation. Based on the previous day's discussions, the group presented the following to the trade negotiators: *(please see following page)*

Specific proposals along the following three major proposals were presented : (1) governments should recognize and learn from alternative development models initiated by civil society groups; (2) governments must engage civil society in dialogue, consultations, and negotiations before pursuing policy changes in trade; and (3) governments should support farmers in their efforts to prepare for WTO accession and engagement

Open Forum

A short but lively open forum happened after the exchange of perspectives and proposals. Key discussion points included the following:

- WTO is not a perfect system but it is the only one we have right now. The civil society is encouraged to engage their governments in dialogue so that the WTO's vision and roles



Regional and National Proposals to Governments in Asia¹

1. Civil society offers viable on-ground alternative development models.

We ask governments to recognize and learn from these in the context of your policy reviews and changes.

- ✓ promote agricultural projects supported by farmers' associations and self-help groups
- ✓ support crop-based groups with capacity to negotiate with government
- ✓ develop models on sustainable development and mainstream community based agriculture
- ✓ conduct studies on (1) policies and its implications on the lives of farming communities and (2) civil society on-ground rural development initiatives

2. We urge governments to engage civil society in dialogue, consultations, and negotiations before pursuing policy changes in trade

- ✓ discuss food security issues and clarify priorities related to it
- ✓ support the sensitive list to be protected after detailed discussion on what the main products to be included in the list

¹ Presented by NGO and farmer leaders to government representatives during the "Civil Society Government Dialogue: Possibilities of Working Together for Fairer Agricultural Trade", organized by AFA and AsiaDHRRA and held last March 2, 2005 at Pinnacle Resort Hotel, Sattahip, Chonburi, Thailand .

- ✓ trade negotiators should hold regular dialogue sessions with civil society
 - ✓ need for more debate and discussion whether agricultural subsidies should be removed
 - ✓ activate membership of civil society in task forces and committees engaged by governments in trade policy formulation and reviews
 - ✓ increase access to timely information by civil society
 - ✓ show transparency in the negotiations
3. We ask governments to support farmers in their efforts to prepare for WTO accession and engagement
- ✓ look into the negative effects of the AoA and related agreements on the lives of the poor farmers and identify means of relieving pressure and putting them in a competitive standing
 - ✓ hold information campaign on AoA and related agreements so that farmers are fully informed of the effects of the policy changes
 - ✓ set up agricultural policy and food policy that protect farmers from the negative effects of the trade policies
 - ✓ provide capital and technology that would equip the farmers before facing the effects of the trade agreements
 - ✓ promote farming and encourage the increase in farming population
 - ✓ relate trade debate to other concerns such as gender, health, and conflicts and peace
 - ✓ build support facilities and infrastructure necessary in agricultural development



can be changed. As for the forthcoming ministerial meeting, given all the diverse positions, there is a need to build alliances with like-minded nations without necessarily compromising country positions. It is also true that developed countries are not yet agreeable to the reduction of trade distorting subsidies; developing countries are pushing for quick action.

- Participation in the December Hong Kong ministerial meeting is important. Civil society groups should explore opportunities at the national level so that their representatives, especially farmers' groups, can be included in the dialogue and meetings prior to and during the meeting.
- The proposals presented are described as general and trade negotiators need specific ones. In spite of this, the trade negotiators were reminded that they need to take on the "spirit" of the proposals and not be locked in by details. The main point is that the farmers' interests need to be protected during negotiations with countries, particularly the developed ones, who do protect their own.
- Promoting agriculture among the youth encounters not just the financial issue (low income) but it is also a matter of image and perception. Government and civil society need to work together in managing and transforming the image of farming.
- During ministerial meetings and national consultations related to WTO matters, large and sometimes violent protests are organized. The governments are asked to respond and yet the public often hears the citing of the need to balance the interests of the various stakeholders. Government trade negotiators are often left to consider the option with least negative impact. In the past, trade negotiators were unprepared and technically limited. Today, there are inputs coming in from various sectors of the



society and are often reminded to keep in mind (and in their hearts) the interests of the farmers.

Summary

Given the exchanges, it is acknowledged that government representatives are asked to encourage civil society groups to help in the negotiation process by providing concrete suggestions and proposals while the latter request the negotiators to look into the perspectives proposed. Both parties are encouraged to be open for continuous dialogue with civil society being proactive in the process. Lastly, in the work for fair and just global trade, one should always be clear on who benefits from globalization and then safeguard the preferential option for the poor.

Sharing the Same Dream

Thanking everybody for their active participation, Mr. Kusumohadi reminded the group that from the presentations and sharing of the trade negotiators, it seemed that all shared a common dream of a more prosperous and just society. He emphasized the importance of sustaining the dialogue and engaging each other in the interest of safeguarding the legacy of agriculture in Asia.

Largely echoing the same sentiments, Mr. Sambito, Chairperson of Aliansi Petani Indonesia, an AFA member, further encouraged the trade negotiators to support the struggles of the farmers since they have had the opportunity to hear their side today. He also emphasized the difference between free trade and fair trade. In the latter, the farmers would have a better chance at overcoming the problem of poverty.

PHILIPPINES

Government Presentation

Civil Society-Government Dialogue: Working Together for Fairer Agricultural Trade¹

Mr. Noel Padre, *Director, Policy Research Studies,
Research and Regulations,*
Department of Agriculture, Philippines

Philippine negotiating effort: Engagement with stakeholders

- ❖ The mandated negotiations in agriculture cannot be successfully engaged by government negotiators alone
- ❖ Lacking the necessary logistics during the initial phases of the negotiations, the Philippines could only snipe at the well prepared proposals of other WTO members
- ❖ The negotiators require the confidence , full support and participation not only of the country's political leadership but also that of its stakeholders
- ❖ The Department of Agriculture thus enlisted the support of its stakeholders through the creation Task Force WTO AoA Renegotiations (TF WAR)
- ❖ TF WAR, since 1998, is the stakeholder consultative-participatory assembly that deliberates positions for recommendation to the Secretary of Agriculture

¹ From a power point presentation



- ❖ Members include farmers' and producers' groups, industry associations, NGOs
- ❖ Negotiators also require substantive and technical depth on all issues pertaining to the negotiations
- ❖ TF WAR Core Group, since 2002, composed of volunteer technical experts from TF WAR, conducts necessary technical and substantive work in the development of proposals and positions on issues
- ❖ With consistent political support from stakeholders, not once did political leaders reject TF War's negotiating framework

Level of Engagement in Negotiations

- ❖ Alliances
 - G20, SP & SSM Alliance (G33), Cairns Group
- ❖ Proposals
 - Special and Differential Treatment (with ASEAN)
 - Interlinkage of Commitments
 - Automatic Countervailing Mechanism (with Argentina)
 - Food Security Mechanism (with Indonesia)
- ❖ Member of 'Green Room' process since Cancun, at the technical, senior official and ministerial levels
- ❖ Co-coordinator and founder of the SP and SSM Alliance, the first purely developing country bloc in the WTO, with Indonesia
- ❖ Capital-based senior officials and TF WAR Core members attend negotiating sessions

Challenges to Developing Countries and Alliances

- ❖ Formation of effective and working broad coalition bound by common objectives



- ❖ Coping and prevailing as a united front in the increasingly detailed debates
- ❖ In both, civil society must play a significant role beyond parallel discussions to the negotiations
- ❖ The united front of civil society must be able to define, in consultation with developing country blocs, a framework of engagement covering all the issues, inclusive of substantive and technical support .

Negotiating Objectives of the Philippine Government

- ❖ General
 - Continuation of the trade reform program – the developed must deliver, now
 - Interlinkage of commitments in the market access, domestic support, export competition pillars
 - More meaningful SND for developing countries, integral in all results
 - Adequate protection of strategic and vulnerable sectors
 - Full consistency with Doha mandate
- ❖ Market Access
 - Increased access of agricultural exports to developed country markets through SND, proportionality and progressivity
 - Zero tariffs in developed countries for tropical products
 - Faster rate of tariff reduction and shorter time frame for the developed
 - Developed must pay or open up more, in terms of TRQ/MAV volumes and/or in-quota rates for declarations of sensitive products to be exempt from the tariff reduction formula



- Continuation of the margin of protection for sensitive products/sectors through-
 - Establishment of a new Special Safeguard Mechanism (SSM) to replace SSG, for developing countries only
 - Self-declaration of a number, to be negotiated, of Special Products (SPs) with minimal or no further commitments, for purposes of food/livelihood security and rural development
 - Application of proportionality in eligibility for sensitivity relative to the developed
- ❖ Domestic Support
 - Substantial reductions in total trade distorting (amber+*de minimis* + blue) non-product specific and product-specific support
 - Elimination of *de minimis* for the developed, retention for the developing
 - SND integrated in all provisions, flexibilities for the developing to employ all forms of support for food security, livelihood and rural development
- ❖ Export Competition
 - Elimination of *all forms* of export subsidies and trade distorting export support measures
 - Disciplines on affected export competition measures, such as food aid, must not prejudice genuine need for food and development aid programs
 - SND provisions integrated, allowing flexibility for developing countries to promote exports

Update: Modalities in Negotiations

- ❖ What are modalities



- Formulae, for quantitative elements, which specify the determination of ‘Schedules of Commitments’, as in the case of tariffs, subsidies, TRQ volumes
- (Qualitative) disciplines or rules to be followed and committed, as in the case of allowed support, transparency and notification
- On SND, the differential coefficients for developed and developing countries, as in tariff and subsidies reduction

Modalities: Philippine Approach

- ❖ Balance to be ultimately determined by the Interlinkage of commitments in the 3 pillars
- ❖ General principles and disciplines first, expressed in rules, exceptions later
- ❖ *Contra* developed country demands for flexibilities, which must be dealt with as exceptions, SND for developing countries must be integral in all elements, per Doha and Framework
- ❖ Active engagement on all elements and fronts, to gain negotiating leverage, at the minimum, to protect bottom-lines

State of Play

- ❖ Export Competition
 - Per Doha and Framework, all forms of export subsidies must be eliminated
 - Export subsidies are the most trade distorting of trade measures, enabling uncompetitive firms to undercut unsubsidized competition
 - EU direct export subsidies ~2.57 billion Euros in 2001/02, on grains, dairy, meat, wines, sugar, among others



- US 'less direct' measures of export subsidization more difficult to estimate
- EU concedes that it is willing to eliminate them, provided —
 - Other parties (i.e. US) similarly agree to eliminate subsidy elements in other export competition measures, e.g. export credits/guarantees/insurance, food aid, exporting STEs (full parallelism)
- EU has so far not specified any credible date of elimination as negotiations are stalled on how to operationalize full parallelism

❖ Domestic Support

- Unlike export subsidies, Doha mandates only 'substantial' reductions in trade distorting domestic support
- The Framework specifies a 20% 1st year down payment together with a tiered harmonizing reduction formula to be developed
- Applied levels of trade distorting domestic support –
 - EC15 – 66.5 billion Euro (~86.3 billion US\$)
 - US – 21.5 billion US\$
 - Japan – 9,122 billion Yen (~87.3 billion US\$)
- Negotiations are still on the base levels and applicable period from which to start reductions
- G20 argues that reduction start with credible numbers first in order to attain real cuts per mandate
- Tiered formula, yet to be agreed, must cut proportionately more from higher levels of support
- Failing in the Framework negotiations to have developed country *de minimis* eliminated, G20 now calls for folding this in the tiered reduction formula



- Any reductions in developing country *de minimis* (developing country blocs failed to exempt this) must be justified, given the fact that developing countries allocate their *de minimis* to subsistence and resource poor farmers

❖ Market Access

- Major elements-
 - Tiered tariff reduction formula, progressivity
 - Sensitive products
 - TRQ administration
 - Tariff escalation
 - Tariff simplification
 - SSG
 - SND: SPs, SSM, trade preferences

❖ Market Access: Tariff reduction formula

- Progressivity- higher cuts for higher tariffs
- Tiered or banded approach – tariffs will be grouped into tiers based on a common *ad valorem* equivalency
- Technical discussions are now bogged down on the *ad valorem* equivalent (AVE) methodology to be applied to members using specific, complex and technical tariffs (EU, Japan, Switzerland, among others)
- The AVE methodology that systematically underestimates the level of protection of the non-*ad valorem* tariffs prejudices those already using the more transparent *ad valorem* tariffs
- AVEs must be transparent and verifiable
- The tiered tariff reduction formula cannot be developed and negotiated without agreement on the AVE methodology



- The issue of tariff simplification towards an *ad valorem* only regime still remains to be negotiated
- Market Access: Other elements
 - Scoping and technical discussions have started on TRQ administration and SSM, the rest have yet to be scoped
 - TRQ administration – improving disciplines in administration transparency on allocation, fill rates; issues related to TRQ expansion
 - SSM – SP & SSM Alliance (G33) proposes universal access for developing countries, simplified and responsive mechanism

Thank you!

SOUTH KOREA



Government Presentation

By

Mr. Han Young Jeon
*Officer, Ministry of Agriculture and Forestry,
South Korea*

I'd like to express my sincere appreciation for inviting me in this dialogue and your efforts for the small farmers of Asian region.

Firstly allow me to express the Korean government's prospects in regard to the WTO agricultural negotiation.

Korean government views, in general, the July framework adopted last year, as providing a momentum for the successful conclusion of the DDA/WTO agricultural negotiation.

But the framework lacks details in many terms. That means we have many issues to negotiate in the future. It will be a very hard negotiation.

After the framework, there have been 4 negotiation meetings in Geneva. But those meetings are technical level consultations, so we can't see a clear development in the negotiation process. However in the recent meeting in February, some consensus was reached in Geneva. But indeed it is not easy to expect the conclusion of modalities during the Hong Kong meeting.

Before expressing the Korean position in DDA/WTO negotiation, I'd like to introduce some key features of Korean agriculture and agricultural policy, in order to assist you to understand the unique features of Korean agriculture.



Key features of Korean agriculture and agricultural policy environment can be summarized as follows:

1. With small scale, for example, average farm land size is 1.4 ha or 3.5 acres and 2 out of 3 farms are less than the average,
2. With ageing farmers, for example, 2 out of 3 farm-operators are over 60, it is a relatively high-cost low-efficiency industry.
3. Consequently, the domestic farm product price level is high and the gap between international and domestic prices is substantial.
4. With the increased income, people's diet has been transformed to a protein-based one. So, imports of grains , feed grains and beef increased. Agricultural imports totaled about ¥10 billion in 2003. The self-sufficiency ratio was as low as about 27 percent. In terms of crops, Korean agricultural market is surprisingly widely open.
5. After the Uruguay rounds of negotiation, the government has been trying to make a fundamental change in its agricultural policy, from a price support scheme to a direct payment-based one. The government is having a hard time in financing the budget.

The gap between urban cities and rural areas is widening in many aspects, such as in incomes, size of aged population, cultural opportunities and medical, educational services, and so forth.

Before the Uruguay round, agricultural incomes got supports from consumer's pocket through the price support system, mostly with import restriction. But now with the UR AoA, supports have been facing big constraints. For the last ten years of implementation period, government purchasing volume for rice has been reduced continuously, against the farmers' interests.



6. Currently the Korean government got serious about reforming agriculture. We are designing a new rice policy, a new agricultural land management policy and a new rural policy.
7. In order to achieve a successful reform, the Korean government has already committed to invest ₩119 billion for the next ten years. We regard the next ten years as very important and possibly the last opportunity to reform our agriculture.
8. So the results of DDA/WTO agricultural negotiation are very important and we sincerely want it to be a balance between developed and developing countries.

Next is Korean position in DDA/WTO agricultural negotiation. As I mentioned earlier, Korea is a Net Food Import Country. So, the key concern we have is balance and fairness. The burden of the results of DDA/WTO negotiation is balanced and equity between the import and export countries as well as developing and developed countries. And Korea is concerned about the tariff capping, the speed of tariff reduction, and especially special product and special safeguard mechanism.

Special product is very important issue in Korea. Because we have a super-special product - rice. I think the special product certainly is the staple product in most developing countries. In developing countries, most of small farmers used to plant the staple product, such as rice. So, the results of DDA/WTO negotiation are ensured that special product is reflected with flexibility to match such a reality.

Korean government has insisted that the criteria of special product are not too strict. And special product must be adopted to the product which is necessary to food security, livelihood security and rural development. And special product is considered more flexible than the sensitive product at tariff reduction and TRQ expansion. Special product is not related to a tiered tariff

reduction formula, and must not be adopted to the mandatory TRQ expansion.

Next is special safeguard mechanism (SSM).

SSM is very important in developing countries, but it has no details in the July framework. SSM is necessary in order to minimize the injury from the sudden market opening. SSM should be more flexible than current SSG. SSM is adopted to all special products. For SP and SSM, Korea participated in the G33, the developing countries' group in DDA/WTO negotiation.

I'd like to express our view in regard to protection of small and poor farmers. Korean government believes that the results of DDA/WTO agricultural negotiation should not hurt each country's agricultural policy for protection of small and poor farmers.

Korea has suggested the proposal for small farmers in DDA/WTO negotiation. In 2001, Korea suggested that the subsidies for small family farmer must be included in the Green Box. That means the government's support to small farmers is permitted not in AMS without reduction in WTO agreements. That proposal is adopted at Harbinson text in 2003.

Korea government has efforts to work together between farmers, like KAFF, and government negotiators. We have an association which engages the leader of farmers, professors, experts and so forth. We hold meetings several times in a year, especially when we need a significant decision in agricultural negotiation. Korean government will make efforts to dialogue with farmers and NGOs. We are open to hear the farmers' opinion.

Thank you!

CAMBODIA



Government Presentation

By

Mr. TUOT SARAVUTH Deputy Director of PSIC, MAFF
Pinnacle Resort Hotel, Sattahip, Chouburi, Thailand
02 March 2005

The Trends and the Temperature Checks



The slide features a dark grey background with a faint grid pattern. On the left is the emblem of Cambodia, and on the right is the WTO logo. The text is centered and uses a mix of bold and italicized fonts.

**CAMBODIAN AGRICULTURE
AND WTO**

**CIVIL SOCIETY-GOVERNMENT
DIALOGUE:**

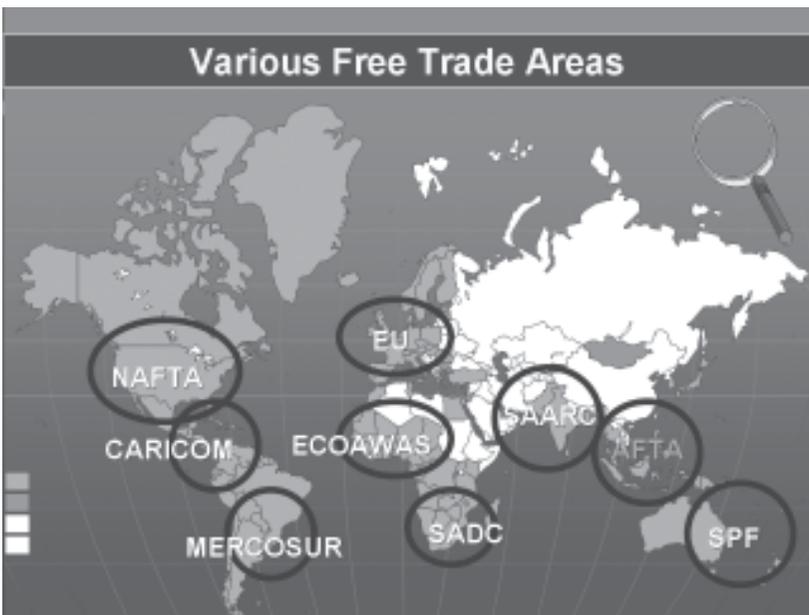
**POSSIBILITY OF WORKING TOGETHER
FOR FAIRER AGRICULTURAL TRADE**

*Presented by Mr. TUOT SARAVUTH Deputy
Director of PSIC, MAFF
Pinnacle Resort Hotel, Sattahip, Chouburi,
Thailand
02 March 2005*



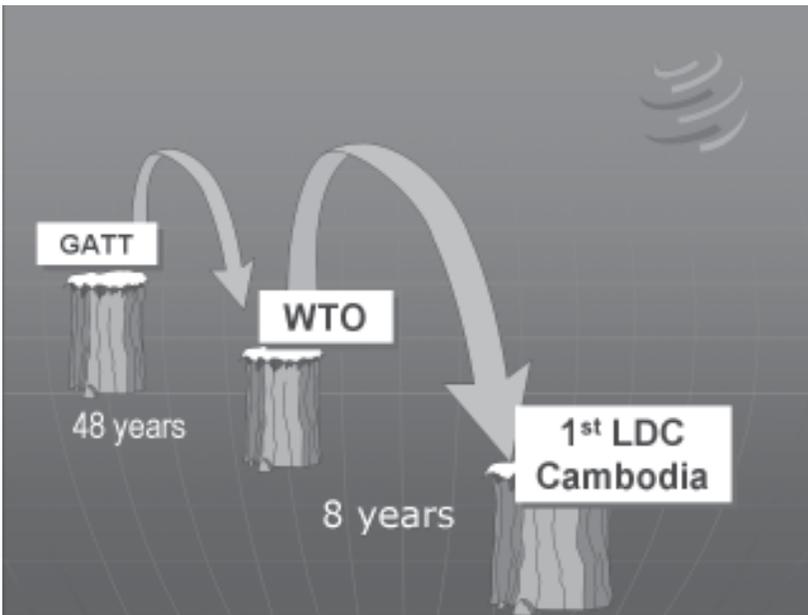
The Trends and the Temperature Checks ...





Already Embracing
Globalization?

*Opportunities through
Accession to the
WTO*





CAMBODIA'S ACCESSION TO THE WTO: A HISTORICAL PROCESS

- The WTO agreement provides for two ways of becoming a member of the organization.
- The first, "original membership", Cambodia's Unique Relationship with the GATT.
- The second approach to membership is by "accession".
- *Cambodia previously enjoyed a special status within the General Agreement on Tariffs and Trade (GATT), due to its former relationship with France, and also came very close to acceding on its own.*

CAMBODIA'S ACCESSION TO THE WTO: A HISTORICAL PROCESS

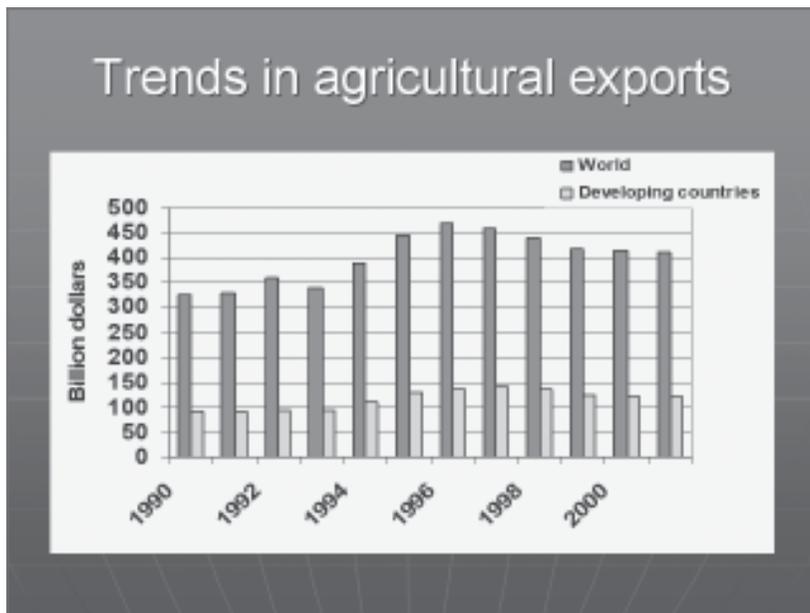
■ Key Preparatory Events

- In October 1994, Cambodia applied for accession to the WTO
- Cambodia completed the Memorandum on Foreign Trade Regime in May 1999
- The 1st Working Party meeting: 22 May 2001
- The 2nd Working Party meeting: 14 February, 2002
- 3rd Working Party meeting: November 2002
- 4th and Last Working Party meeting: April 2003
- Informal Meeting: June 2003
- 5th and Final Working Party: July 2003
- Signing of Protocol of Accession 12 September 2003

How Agriculture Negotiation

- ***Agricultural Domestic Support***
- ***Market Access***

- ***Tariff negotiation***
 - ***Tariff reduction***
 - ***Sanitary and Phyto-Sanitary (SPS)***
 - ***TBT***
 - ***IPR***





Cambodian membership agreement Commitment Agenda

Trade in agricultural inputs (1)

- Import licenses
 - discrimination between domestic and import products,
 - No later than June 2005, amend the legislation
- Import quotas
 - will be eliminated no later than June 2005

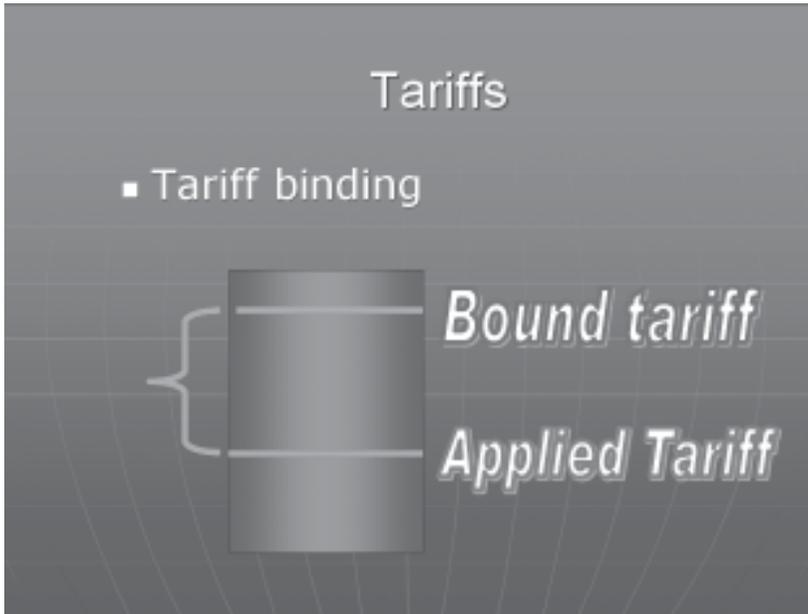


Tariffs on agricultural products

- 5%: living animals, seeds
- 7%: finishing agents, raw fibres
- 10%: wheat and bakery products
- 15%: raw materials, semen and live plants cutting
- 20%: vegetables
- 25% : feeder cattle, maize, cut flowers
- 30% tea, oils, some spices

Tariffs on agricultural products

- 35%: processed products
- 38,5%: cocoa paste, soya sauce
- 40%: meat, eggs, tropical fruits, spices, rice, flour, palm oil, prepared vegetables, wines and brandy
- 45% : beers
- 50 %: cigars and manufactured tobaccos
- 60% : beverages



Agricultural policy: exportations

- Neither restriction nor prohibition measures
- 10% taxes on exports of pure bred cattle
- No export restrictions on rice since July 2001, but still possible
- When accession, binding of export subsidies to zero



Agricultural policy: domestic support

- Only green box measures
- But: Purchases of rice to the food security stock moderates movements of the domestic price of rice. May be classified as Amber box.

Classification of agricultural policy tools

Market access	Export Competition	Domestic support		
		Amber box	Blue box	Green box
<ul style="list-style-type: none"> ✓ Tariffs ✓ Variable entry levies ✓ Minimum import price ✓ Import quotas ✓ SPS standards ✓ TBT requirements 	<ul style="list-style-type: none"> ✓ Export subsidies ✓ State trading company engaged in export and import ✓ Export credits ✓ Export of stocks under the price of domestic market ✓ Support for marketing and transport 	<ul style="list-style-type: none"> ✓ Quota price ✓ Price-added support to farmers, linked to products. ✓ Subsidies for inputs ✓ Support to investment 	<ul style="list-style-type: none"> ✓ Support given to producers within the framework of a production-limiting programme 	<ul style="list-style-type: none"> ✓ Income guarantee mechanism, in case of special events (market crisis, natural disasters,...) ✓ Providing farm credit or subsidizing it ✓ Crop insurance ✓ Expenditure on extension ✓ Expenditure on training ✓ Expenditure on research ✓ Expenditure on plant protection services ✓ Expenditure on animal health protection services ✓ Expenditure on public infrastructure (irrigation, drainage, slaughter house, ware house) ✓ Definition of standards ✓ Environment protection programme ✓ Food security stocks

Green box measures (1)

Measure	Description	Monetary value
Research	Expenditures on research activities, including those on agricultural productivity improvement, plant and animal health and forestry development	513,884
Pest and diseases control	Expenditures on plant quarantine and animal health control.	609,627
Training services	Expenditures on training provided to farmers on the use of agricultural machinery and equipment.	6,344
Extension and advisory services	Expenditures on extension and advisory services.	140,297
Infrastructural services	Expenditures on constructions and maintenance of irrigation system and drainage facilities, including the provision of diesel fuels for pumping water to irrigation canals.	3,999,168
Inspection services	Expenditures on inspection of plants and animals.	54,683

Green box measures (2)

Measure	Description	Monetary value
Public stockholding for food security purpose	Expenditure on public stockholding of rice.	1,000,000
Payments for relief from natural disasters to the producers	Expenditure on the provisions of agricultural inputs, equipment and pest and disease control to agricultural producers for relief from natural disaster.	1,658,717
Exemption of land tax and income tax	For poverty reduction and improvement of living standards of farmers. Applicable to all farmers	na
Exemption of VAT on agricultural inputs	Applicable on some agricultural inputs	na
Exemption of VAT on agricultural outputs	Applicable to farmers who do not meet the minimum income threshold for mandatory application of VAT	na

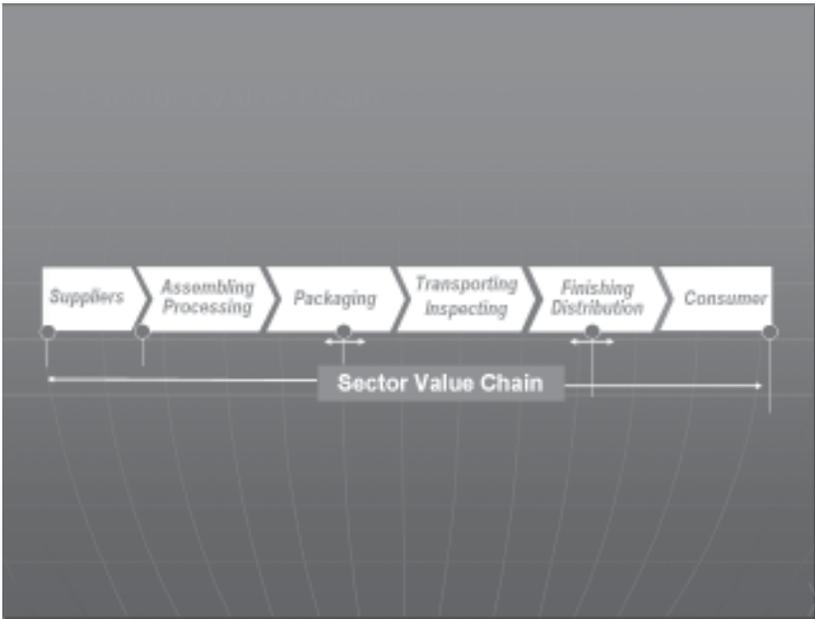


Strategies selected the products into tariff reduction

- **Reduction based on**
 - **those products are not possible to produce in Cambodia (Apple, Cherry, ...etc) raw materials for serve agriculture sector.**
 - **Raw materials for serve agriculture sector**
 - **Equipment for agriculture sector**
 - **Seed and Live animal and Plants as pure breeding**

Agenda

Law	Agreement	Approval date
Land law	General	September 2001
Inquiry points for SPS and TBT measures	SPS and TBT	June 2002
Forestry law	General	August 2002
Application of VAT on domestic and imported agricultural inputs equally	General	January 2003
Decree on animal quarantine	SPS	February 2003
Decree on plant quarantine	SPS	February 2003
Ratification of the membership Agreement		Non later than 31 march 2004
Law on Geographical indications, including appellations of origin	TRIPS	December 2004
Law on Plant variety protection	TRIPS	January 2005
Submission of all initial notifications required	all	31 April 2005
Modification of the law on drug management	General	June 2005
End of quantitative restriction on inputs	General	June 2005
Full implementation of TBT agreement	TBT	January 2007
Full implementation of SPS agreement	SPS	January 2008





INDUSTRY		
Target Industries for Cambodia		
Type of Industry	Products	Market
Food processing	<ul style="list-style-type: none">▪ Rice flours▪ Vegetable oil▪ Processed fruits/vegetables▪ Tapioca▪ Animal feed▪ Sugar Confectionary	<ul style="list-style-type: none">▪ Cambodia/▪ Thailand

- ### ***STRATEGIES FOR FUTURE***
- Export diversification basis***
 - Basis for upgrading production***
 - Develop Agro-Industry***
 - Improve and Increase agricultural productivity***
 - Promote and provide incentive to private sector for export***



Development of Agro-Industry

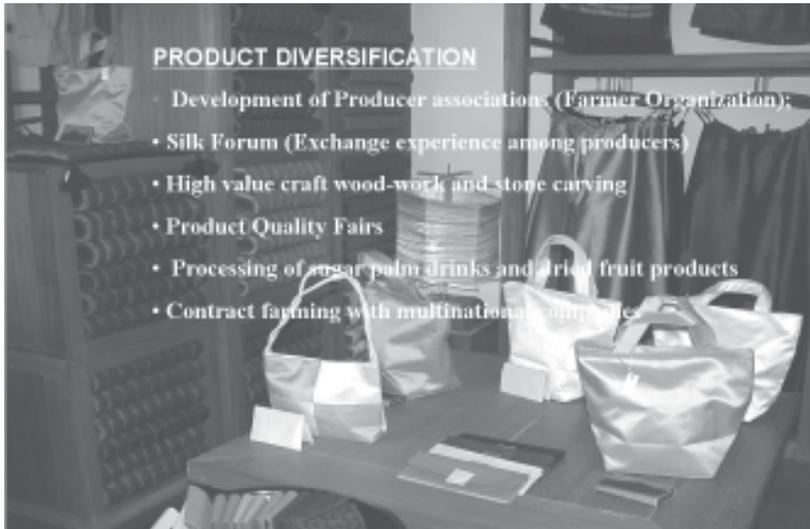
Processing of fruits, vegetables and seafood

- Drying, canning, freezing, smoking etc.
- Adds value to agricultural products
- Develop Agro-Industry, packaging, frozen, preservation



PRODUCT DIVERSIFICATION

- Development of Producer associations (Farmer Organization);
- Silk Forum (Exchange experience among producers)
- High value craft wood-work and stone carving
- Product Quality Fairs
- Processing of sugar palm drinks and dried fruit products
- Contract farming with multinational companies





THAILAND



Government Presentation

The Statement by Mr. Phadol Panthaworn *

.....
At The Civil Society – Government Dialogue:
Possibilities of Working Together for
Fairer Agricultural Trade
March 2, 2005, Chonburi, Thailand

Distinguished participants,

First of all, I would like to express my sincere appreciation for inviting the representatives from the Office of Agricultural Economics (OAE), Ministry of Agriculture and Cooperatives to attend this important dialogue.

On behalf of my delegation, I would like to inform on OAE's role in the WTO negotiation. The OAE supports the Department of Trade Negotiation (DTN), Ministry of Commerce. In particular, the Bureau of International Agricultural Economics (BIAE), an agency in the OAE, takes responsibility coordinating with the DTN on the Agreement on Agriculture. Based on the Single Undertaking approach, the Department of Trade Negotiation handles all sectors in all negotiations in the Doha Development Agenda, including the Agreement on Agriculture.

* Mr. Phadol Panthaworn, Policy and Plan Analyst, Bureau of International Agricultural Economics, Office of Agricultural Economics, Ministry of Agriculture and Cooperatives 50th Phaholyothin Rd. Chatuchak, Bangkok, Thailand 10900, Tel: 02-9406485~6, Fax: 02-5792567, email: phadol@oae.go.th

Annex 1

Program

DAY ONE • 01 March 2005

Gearing up to Influence Government's Position on WTO Agricultural Trade

- | | |
|-------------|---|
| 0900 - 1000 | Opening Program <ul style="list-style-type: none">• Opening Prayer• Welcome Remarks<ul style="list-style-type: none">by Mr. Soetrisno Kusumohadi,
Chairperson, AsiaDHRRAby Ms. Sudaporn Sittisathapornkul,
Vice Chair, AFA• Over-all Program Orientation<ul style="list-style-type: none">by Ms. Marlene Ramirez, Secretary General• Part 1 Objectives and Schedule<ul style="list-style-type: none">by Ms. Esther Penunia,
Advocacy Officer, AsiaDHRRA |
| 1000 - 1200 | Country Reports : Highlights of Country Consultations and Dialogue with Country Trade Negotiators |
| 1200 - 1330 | Lunch Break |
| 1330 - 1400 | Interactive Discussion : Regional and International Developments on WTO Agricultural Trade Talks |
| 1400 - 1430 | Synthesis of Country Reports |
| 1430 - 1530 | Country Buzz Group : Formulating Proposals for the Dialogue |
| 1530 - 1600 | Coffee Break |
| 1600- 1630 | Preparing for the Regional Dialogue with WTO Trade Negotiators |
| 1630-1645 | Closing Remarks <ul style="list-style-type: none">• Mr. Bui Quang Toan,
AsiaDHRRA Vice Chairperson for Mekong• Ms. Sudaporn Sittisathapornkul,
Vice Chair, AFA |

DAY TWO • 02 March 2005

WTO Regional Dialogue between Civil Society and Government

- 0900- 0930 Opening Program
- Welcome Remarks
by Mr. Chaiwat Suravichai,
 Secretary, Sor Kor Por
 - Introduction of Government Negotiators
 - Objectives of the Dialogue
by Ms. Marlene Ramirez,
 Secretary General, AsiaDHRRA
- 0930- 1100 Presentation: Prospects and Challenges for WTO to
support Fairer Trade, Government Perspective
- **Mr. Noel Padre**, *Director,*
Policy Research Studies Research and Regulations,
Dept. of Agriculture, Phils.
 - **Mr. Tuot Saravuth**, *Deputy Director,*
Planning, Statistics and International Cooperation,
Ministry of Agriculture, Forestry and Fisheries,
Cambodia
 - **Mr. Han Young Jeon**, *Officer,*
Ministry of Agriculture And Forestry, South Korea
 - **Mr. Phadol Panthaworn**, *Policy and Plan Analyst,*
Bureau of International Agricultural Economics,
Office of Agricultural Economics, Ministry of
Agriculture and Cooperatives, Thailand
- 1100-1130 Presentation of Proposals from Civil Society Leaders
- 1130- 1230 Discussion
- Proposals for Fairer Trade
 - Proposals for mechanisms for engagement
- 1230- 1245 Summary of agreements
- 1245- 1300 Closing Remarks
- Mr. Soetrisno Kusumohadi,
 Chairperson, AsiaDHRRA
 - Mr. Sambito, Executive Committee Member, AFA
- 1245- 1400 Lunch

Facilitator: Esther Penunia
Advocacy Officer, AsiaDHRRA

Annex 2

LIST OF PARTICIPANTS

Cambodia

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Taht Sok

*Officer, Cambodian Center for Study and
Development in Agriculture (CEDAC)*

Keo Sokha

Vice President / Farmer and Nature Net (FNN)

Ouch Ngak

*Human Resource Manager / Cambodian Center for Study and
Development in Agriculture (CEDAC)*

Sil Vineth

Secretary General , Cambodian NGO Alliance for Cooperation (CNAC)

Indonesia

.....

Sambito

Board Chairperson , Aliansi Petani Indonesia

Ika N. Krishnayanti

Staff, InDHRRA/Sekretariat Bina Desa

Bambang Ismawan

President, Bina Swadaya

Rezki Khainidar

Board Member, InDHRRA/Sekretariat Bina Desa

Sri Rahayu Wartonu

Board Member, InDHRRA/Sekretariat Bina Desa

Japan

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Ryoko Tsuboi

Volunteer, AsiaDHRRA / JaDHRRA

Kazuhiro Yamamoto

Director / Ainoukai



Laos

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Officer, Lao Community Development Association (LCDA)

John Ferchak

Director, Quaker Service in Laos (QSL)

Paseuth Seng-dara

Farmer Leader, Lao Community Development Association (LCDA)

Malaysia

Salamat bin Surib

Farmer Representative, DHRRA Network Malaysia

Paul Sinnapan

Secretary General, CUPC

Sures Kuppusamy

Volunteer / DHRRA Network Malaysia

Myanmar/Burma

Ma. Kya Mu

Board Adviser, MyanDHRRA

Philippines

Ireneo R. Cerilla

*Regional Vice President, Pambansang Kilusan
ng mga Samahang Magsasaka (PAKISAMA)*

Vicente A. Fabe

Chairperson, PAKISAMA

Rolando B. Abando

Regional Coordinator, PhilDHRRA

Cesar S. Belangel

National Coordinator, PhilDHRRA

Crescente C. Paez

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Marissa Camacho-Reyes*President,***South Korea****Youn, Sang Jun***Chairperson / KoDHRRA***Young Cheol Lee***Volunteer, KoDHRRA***Kim, Gi Cheol***Vice Chairman , Korean Advanced Farmers Federation (KAFF)***Kim, Hyeong Seok***Asst. Mgr. of Public Relations , KAFF***Kyu Man Hwang***Volunteer, KODHRRA ; WEC Int'l Mission /Yangon in Myanmar***Taiwan****Dr. Wen Chi Huang***Associate Professor / Chair, Department of Agribusiness Management
National Pingtung University of Science & Technology***Hsieh, Chin-Hsiung***Interim Director General, Taiwan Wax Apple Devt. Association (TWADA)***Chiu, Kuo-Chung***Director, TWADA***Shu Hui Tsai***Volunteer, AsiaDHRRA and TaiwanDHRRA***Thailand****Sudaporn Sittisathapornkul***Chairperson, Sor Kor Por (SKP)***Promma Kengkla***President , North Farmers' Association for Development (NFAD)
and Vice Chairman, SKP*



Pa Poamkam

Regional Coordinator, Sor Kor Por

Tongkam Chaicharn

Farmer Leader, Sor Kor Por

Panya Kongpal

Treasurer, Sor Kor Por

Chaiwat Suravichai

Secretary General, Sor Kor Por

Kanisorn Punyaprasiddhi

Office Manager, Sor Kor Por

Weraphan Prommontre

Adviser, Sor Kor Por

Napasri Maneewong

President, ThaiDHRRA

Boonjong Siri

Coordinator, ThaiDHRRA

Kanyarat Ekkachaijindawat

Secretary / Chumchon Klongchun Credit Union

Supachai Srisupa Akson

President, Chumchon Klongchun Credit Union

Veerayut Ruehirek

Chumchon Klongchun Credit Union

Vietnam

.....

Bui Quang Toan

Chairperson, VietDHRRA

Nguyen Que An

Leader, Vietnam Cooperative Alliance (VCA)

Hoang Thi Dieu Tuyet

First Vice Chairman of Vietnam Farmers' Union (VNFU)

Vu Le Y Voan

Vice Director of Intertional Relation Department , VNFU



Regional Groups

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Rachel Polestico

Associate Director / SEARSOLIN

Government Negotiators

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*Director, Policy Research Studies, Research and Regulations,
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Mr. Tuot Saravuth

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Mr. Han Young Jeon

Officer, Ministry of Agriculture and Forestry, South Korea

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GUESTS

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Dulce Carandang-Slimmanivong

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Elena V. Rebagay

Program Officer, AsiaDHRRRA

Lorna David

Program Officer, AsiaDHRRRA

The **Asian Farmers' Association for Sustainable Rural Development (AFA)** is a regional alliance of peasant federations and organizations in ten Asian countries. Established in May 2002, its formation was a fruit of a three-year, five Farmers' Exchange Visits held in South Korea, the Philippines, Indonesia, Japan and Malaysia. AFA endeavors to build a strong and dynamic regional lobby for genuine agrarian reform and sustainable rural development, while facilitating the exchange of creative local grassroots initiatives that attempt to address the roots of rural poverty. It aims to promote and advocate for the rights of Asian farmers, promote cooperation and solidarity and support capacity building among them. Currently, AFA includes the Aliansi Petani Indonesia, Pambansang Kilusan ng mga Samahang Magsasaka (PAKISAMA) in the Philippines, Sor Kor Por in Thailand, Korean Advanced Farmers' Federation and Jeonkuk Sae-nongminhoe in South Korea, Taiwan Wax Apple Development Association, Vietnam Farmers' Union, Farmers and Nature Net in Cambodia and Aino-Kai in Japan.

The **Asian Partnership for the Development of Human Resources in Rural Asia (AsiaDHRRRA)** is a regional partnership of eleven social development networks and organizations in eleven Asian nations. It envisions Asian rural communities that are just, free, prosperous, living in peace and working in solidarity towards self-reliance. Its mission is to be an effective promoter and catalyst of partnership relations, facilitator of human resource development processes in the rural areas and mobilizer of expertise and opportunities for the strengthening of solidarity and kinship among Asian rural communities. AsiaDHRRRA's regional policy advocacy work has always been anchored on its commitment to bring forward the voices of its partner peasant organizations to the frontline of the advocacy arena. AsiaDHRRRA organized the five Farmers' Exchange Visits which eventually led to the formation of AFA.



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