



NEWS! Position Paper

Food security first! - a position paper of NEWS! on the issue of trade and agriculture in light of the WTO's Agreement on Agriculture

December 1999

1. NEWS!

NEWS! is the Network of European World Shops. It represents 2,500 world shops and 15 organisations in 13 European countries that promote the idea of Fair Trade between North and South by selling fairly traded products, and through campaigning and information.

NEWS! not only engages in Fair Trade but it also organises campaigns on trade issues by defending the interests of its fair trade partners, in particular, and small farmers and producers in developing countries, in general. NEWS! is presently running a campaign called 'Food for Thought' on international trade in food and agricultural products.

2. The NEWS! position in brief

We believe that the basic function of agriculture and trade in agricultural produce is to provide food security for all. Trade interests and WTO rules should not reduce the options open to countries to achieve food security. The current Agreement on Agriculture is a very unbalanced agreement, and does not adequately address the issue of food security but in fact reduces policy options open to countries.

The run-up to the WTO November 1999 meeting in Seattle showed a similar clash of trade interests between the EU, the US and the Cairns group (which consists of almost 20 industrialised and developing food-exporting countries that aim for a complete liberalisation of agricultural trade) as that which came up during the Uruguay Round: exporting countries fighting for markets, traders fighting for more trade opportunities.

NEWS! does not want to see a renewal of the current Agreement on Agriculture (AoA). NEWS! is campaigning for a multilateral agreement on agriculture that will put food security and the interests of millions of small farmers before the interests of trade and multinational trade companies.

NEWS! welcomes the EU's position to put non-trade issues as well as non-trade functions of agriculture onto the agenda, but regrets that the EU does not want to form an alliance with third world countries that similarly promote the importance of food security, an obvious non-trade concern.

NEWS! calls upon the EU to reduce its domestic support and to redirect it towards sustainable family agriculture; to stop subsidising agricultural exports and to stop all dumping; to offer more market access to developing countries, especially the least developed countries (LDCs), small island developing states and countries that are heavily dependent on a few agricultural exports.

NEWS! equally rejects the free trade rhetoric of the US and the Cairns group of governments. Agriculture should not be subjected to the same WTO rules as industrial goods but should maintain an exceptional position, for the sake of food security and for its significant impact on the livelihoods of large sections of the population in developing countries.

NEWS! also urges the US and the Cairns group to end their (less conspicuous) export support measures (i.e., through the extension of credits, insurance and state trading enterprises).

In its Food for Thought campaign, NEWS! is focusing on five demands:

- i. reform of the WTO to allow for more democracy and transparency in their operations;
- ii. assessment of the current WTO agreements before initiating new negotiations;
- iii. elimination of all agricultural export subsidies and other forms of dumping;
- iv. recognition that food security and food sovereignty must be the guiding principles of any agreement on agriculture; and
- v. more attention to trade issues other than the liberalisation of trade.