

## **PRESS RELEASE**

### **Get facts straight on Doha, Peter Clark urges Parliamentarians**

Peter Clark, President of Ottawa-based Grey, Clark, Shih and Associates, told Canadian Parliamentarians that Doha Round Agricultural Trade Modalities will have clear costs to Canada, and relatively few net benefits to Canada's grain, oilseeds and livestock exporters.

"The modalities being developed by New Zealand Ambassador Crawford Falconer, if based on his challenge papers, are likely to be seriously flawed and unbalanced," Mr. Clark told members of the House and Senate Agriculture and Trade Committees.<sup>1</sup>

"To expect disinterested enlightenment from the G-4 steering group is excessively optimistic." Clark predicted, "Much more likely is trading off each others' interests – effectively a take-it-or-leave-it deal." He predicted such an unbalanced deal would be rejected by developing countries "fed up to the teeth with their real needs being ignored."

While Mr. Clark characterizes Ambassador Falconer's initiative as an important effort to get the negotiations back on track after a misguided and alarmist adjournment, he expects the likely results will be "very thin gruel". "This mess is not Ambassador Falconer's fault – he did not have much to work with and had nearly a year of downtime due to institutional mismanagement and folly," Clark explained. "Now he has to try to keep as many countries as possible inside the tent."

He recalled that "we saw at Doha that it takes only one country to block consensus on a bad deal. Where G-33 and G-90 interests have been ignored, the response to a take-it-or-leave-it deal could well be 'Hell no – we won't go.'"

Among specific concerns Clark identified were:

- The U.S. will be able to provide more support than they expended in 1995.

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<sup>1</sup> The paper can be found at [www.greyclark.com](http://www.greyclark.com)

- The E.U. will get credit for CAP Reforms necessitated by internal needs.
- So-called decoupled support is not “green” and will perpetuate problems.
- Falconer to address tariff specific escalation, food aid and export credits in a meaningful way will negate possible gains for Canada’s farmers and ranchers.
- A new Peace Clause, which is still on the table, will make many concessions by larger players meaningless.

“There will be little in any saleable potential package to benefit Canadian farmers and ranchers. Canada needs to engage as a matter of the highest priority in preventing erosion of market access through high priority negotiation of preferential arrangements with countries which have Canada outside looking in!”

Clark went on to explain that the Agriculture negotiation is not the only stumbling block – there are deep differences on Non-Agricultural Market Access, Safeguards and Rules (including an attempt by the U.S. to re-legitimize zeroing). “Any one of these could cause the negotiations to crash and burn,” he warned.

Mr. Clark explained, “Canada must abandon a blind faith approach to multilateral trade liberalization – which may have worked in the past, but in the new WTO is a prescription for disaster. In this ‘Field of Dreams’ approach, the ‘Shoeless Joes’ will be tens of thousands of Canadian farmers and ranchers.”

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