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By RAJESH MAHAPATRA

Associated Press Writer

G-20 wins more support on farm subsidies

MAR. 19 8:02 A.M. ET A group of 20 developing nations won additional support Saturday for their demand that farm subsidies in rich countries be eliminated within five years.

A two-day gathering of top trade officials of the G-20 nations, led by India and Brazil, ended Saturday with members getting a boost from African and Caribbean nations for their declaration asking the United States and the European Union to end all export subsidies to farmers by 2010.

Several African and Caribbean countries, who are not part of the G-20, but attended the meeting as observers, extended their support to the demand.

"We have more in common with the G-20 than with the developed countries," said Deepak Patel, Zambia's trade minister who represented a grouping of the world's least developed countries.

Guyana's trade minister Clement J. Rohee said the Caribbean countries also supported the demand on farm subsidy, but also wanted G-20 nations to make concessions for very poor countries.

The meeting was called to prepare a "common strategy and position" on agriculture ahead of the World Trade Organization's ministerial conference in Hong Kong later this year, when member nations hope to reach a new global deal on trade liberalization.

The last WTO ministerial talks, held in Cancun, Mexico, in September 2003 collapsed after the G-20 blocked a proposal to ease investment rules and open their agricultural markets to foreign competition, saying the United States and the European Union first stop giving billion of dollars in subsidies to their farmers.

Last July, WTO diplomats met in Geneva and hammered out a framework agreement on the contentious issue so that negotiations on a new global trade treaty could be revived.

The five-year timeframe set at the New Delhi meeting precedes the 2012 deadline the European Union has set for its member nations to cut farm subsidies to a minimum. The United States has yet to agree to any timeframe, but Washington has said it would reciprocate if developing countries reduce tariffs and open their markets to foreign competition.

Indian Commerce Minister Kamal Nath, who hosted the meeting, said the group felt their demand is realistic.

Participants also discussed issues relating to market access for exports of nonagricultural goods and services, where there are major differences among G-20 countries.

Amorim said the group also discussed the differences with an objective that these do not distract G-20's common thrust on agriculture.

The group consists of India, Brazil, South Africa, Argentina, Bolivia, Chile, China, Cuba, Egypt, Guatemala, Indonesia, Mexico, Nigeria, Pakistan, Paraguay, Philippines, Tanzania, Thailand, Venezuela and Zimbabwe. On Friday its strength rose to 21 after Uruguay rejoined.