



August 15, 2008

## **MEMORANDUM**

TO: Amb. Don Stephenson, Canada's Permanent Representative to the WTO  
Hon. Michael Fortier, Minister of International Trade, Canada  
Hon. Gerry Ritz, Minister of Agriculture and Agri-Food, Canada  
Mrs. Mariann Fischer-Boel, Commissioner Agriculture, European Commission  
Mr. Peter Mandelson, Commissioner Trade, European Commission  
Amb. Susan C. Schwab, U.S. Trade Representative  
Hon. Ed Schafer, U.S. Secretary of Agriculture

The undersigned organizations represent the oilseed crushing industries in Europe, Canada and the United States. On behalf of our member companies, we again commend your chief agriculture negotiators for their tireless commitment to the elimination of differential export taxes (DETs) in the context of the Doha Development Agenda (DDA).

Twice we have written to you, on October 24, 2007 and again on May 30, 2008, to express our concern that there is no formal agreement to include the elimination of DETs in Chairman Crawford Falconer's agricultural modalities draft text. We again request that the chief negotiators from Europe, Canada and the United States work in partnership to make certain that appropriate language is included in all future negotiating documents to ensure that the differential element of export taxes are eliminated by the end date for implementation of the Doha Round of Trade Negotiations.

In spite of the repeated efforts by Europe, Canada, Japan, and the United States, Chairman Falconer has failed to put specific language to eliminate the differential element of export taxes in his July 10, 2008 modalities text. When the "dust settles" and negotiations are reconvened, it is imperative that a collaborative effort by Europe, Canada, the U.S. and Japan be undertaken to insist that language is included in the final DDA Agreement to end the differential element of export taxes.

Differential export taxes are distorting global trade in oilseeds and oilseed products, and most recently biodiesel. If the DDA is successful in disciplining and/or eliminating all other forms of export competition, such as export subsidies and export credits, we fear that DETs might well become the favored instrument to be used by commodity exporters in other countries for an increasing number of products.

Thank you in advance for your willingness to bring up this critical matter should the agricultural trade negotiators be called back together in the coming weeks.

Sincerely,



Thomas A. Hammer, President  
National Oilseed Processors Association (NOPA)



Robert Broeska, President  
Canadian Oilseed Processors Association (COPA)



Pascal Cogels, Director General  
FEDIOL - The EU Oil & Proteinmeal Industry

cc: Mr. Joseph W. Glauber  
Mr. Robert Norris  
Mr. Steve Verheul