

WORLD TRADE ORGANIZATION

WT/MIN(03)/ST/71
12 September 2003

(03-4831)

MINISTERIAL CONFERENCE
Fifth Session
Cancún, 10 - 14 September 2003

Original: Spanish

NICARAGUA

Statement by H.E. Mr José Augusto Navarro
Minister of Agriculture and Forestry Affairs

I should like, on behalf of the people and Government of Nicaragua and President Enrique Bolaños Geyer, to thank the host country, the United Mexican States and its authorities, for the hospitality extended to our delegations and for the excellent organization of this Conference.

I should also like to express our gratitude to the Director-General, Mr Supachai Panitchpakdi, and the Deputy Director-Generals, as well as His Excellency Ambassador Carlos Pérez del Castillo, Chairman of the General Council, and the Ambassadors who supported him in the arduous preparatory process.

The Doha Development Agenda acknowledges the contribution of the multilateral trading system to economic growth and job creation, but emphasizes the need for it to contribute to the recovery and growth of the developing countries.

In this context, Nicaragua is concerned to see that the level of compliance with the Doha mandates and particularly the importance assigned to the development dimension are not reflected in the results thus far. Many of the areas of greatest interest to developing countries are not included in the draft text we have before us.

We nonetheless recognize the efforts made by all Members to arrive at convergences and stand ready to work positively to arrive at consensus and produce results satisfactory to all parties. The decisions we adopt must maintain at least the level of commitment reached in Doha, for which reason special and differential treatment will have to form a fundamental part of each of the decisions taken and it must be guaranteed to be precise, effective and operational.

Agriculture lies at the core of these negotiations and it is for my country one of the issues of greatest concern. Nicaragua's economy and trade depend largely on agriculture and so we call for early and ambitious deadlines for the removal of trade-distorting export subsidies and domestic support. Similarly, we hope to reach agreements on tariff cuts to energize world-wide agricultural trade, with particular attention to reductions that will substantially improve access for products of interest to developing countries.

The effects of the higher subsidies given by the developed countries for their agricultural production are ever more crushing for the developing countries. Any plan, strategy or effort we make to overcome poverty is impaired by the application of such measures. Our products cannot compete on an international market where the competing agents are on an uneven playing field. Accordingly, consensus on the modalities for negotiations must, in Nicaragua's opinion, be reached by the end of this year so that concrete steps can be taken on this essential subject.

My country considers that the special and differential treatment clauses contained in the Chairman's text do not properly reflect food security and rural development concerns. It is inconceivable for our country to move ahead on the path of liberalization without including basic elements such as strategic products, differential concessions and a safeguard mechanism for developing countries. This is all essential to arrive at balance and equity in these negotiations, where the overall level of ambition is considerably higher than in the Uruguay Round.

Similarly, convergence is needed in regard to the modalities for non-agricultural products. Nicaragua started to open up its trade in the 1990s. We now have one of the lowest average tariffs in Latin America, barely higher than 5 per cent and comparable to that of many developed countries. The social cost of the adjustment has been high and we therefore need the policies of international bodies to be consistent and to be directed at bringing our countries out of poverty. Small, highly indebted countries like ours must receive treatment that is in keeping with their development needs and with the real macroeconomic situation. My delegation expressed this need in Doha and we are grateful for the proposals that have been submitted in the meanwhile, particularly the one on special treatment for IDA-only countries. Accordingly, under the terms of paragraph 5 of the Doha Ministerial Declaration we call for such treatment to be part of the results of this Ministerial Conference.

Public health is a matter of prime importance for Nicaragua. The will displayed by the TRIPS Council in the Decision of 30 August 2003 is gratifying, but we believe that the matter deserves more forceful answers and therefore deem it necessary to carry on working to find a permanent, predictable and legally binding solution.

In regard to services, we look appreciatively on the progress made in the negotiations and the inclusive process in which it has developed. Nevertheless, despite my country's efforts, we do not see in the offers made so far any significant opening up for sectors of interest to Nicaragua, particularly with regard to mode 4 and tourism. We hope that substantial improvements will be made in offers so as to bring these negotiations to a successful conclusion. The horizontal issues in services must go hand in hand with the negotiating subjects in order to arrive at a balance.

One prerequisite for effective negotiations on the Singapore Issues is to obtain technical and financial cooperation to create the capacity for us to implement the commitments that might stem from these negotiations, particularly in regard to trade facilitation.

We acknowledge the laudable work done by the respective Working Groups, Councils and Committees on rules, TRIPS, trade and the environment and dispute settlement. Nicaragua considers that the work by these subsidiary bodies must continue, in accordance with the terms of the Doha Ministerial Declaration. Nicaragua takes the view that such work should be completed by the Sixth Ministerial Conference at the latest.

Before concluding, I welcome the new WTO Members, whose accession confirms the decision of countries to strengthen the multilateral trading system.

We have an arduous and important task ahead. Nicaragua is still ready to work positively so that by the end of this Fifth Ministerial Conference we will secure concrete results and turn the wishes of Secretary-General Kofi Annan into a reality, namely the wish that the principles of justice and equity in international trade stop being nothing more than empty words.