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JAMAICA

Statement by the Honourable Keith Desmond Knight Minister of Foreign Affairs and Foreign Trade

We meet in this beautiful Caribbean city whose gaiety and sunshine would cheer the most burdened of spirits. Yet, regrettably, we come to this podium today in a mood of pessimism. Two years ago, Members of the Organization undertook to place the needs and interests of developing countries at the heart of the Work Programme adopted at Doha. Now as we meet in Cancún, developing countries are forced to ask - where is the promise of Doha? That promise is in grave danger of evaporating almost in its entirety. We believe this will be the case should the Fifth Ministerial Conference conclude without including in its outcome, specifically and concretely, measures that genuinely serve to promote the development of developing countries through their beneficial participation in the global trading system.

I do not wish to be unduly harsh, but Jamaica fears this Organization has become somewhat too adept at gloss and at spin. Promises are capable of fulfilment; platitudes will remain empty forever. We have the opportunity here in Cancún to make clear, through the decisions that will be taken on development issues, what the promise of Doha truly meant. We are convinced that the answer we give will have far-reaching implications for this Organization and for the future of millions of people around the world.

The global trading system has not served developing countries as a whole well. We know that a few developing countries have performed quite well. But a relatively few exceptions do not the rule make. When the share of least-developed countries in global trade is smaller today than it was fifty years ago, then an unmistakable challenge is posed to the World Trade Organization, which, on our reading of the Marrakesh Agreement, has a mandate in respect of trade and development.

We do not believe this challenge can be met by simply advocating liberalization and more liberalization - not only in trade but in non-trade areas as well.

Let me state that the countries of the Caribbean need no lessons in liberalization and openness. Nor in some of their consequences. For many countries of our region, trade in goods and services exceeds 100 per cent of gross domestic product (GDP). We might be forgiven for asking those who insist that we should open our economies to more imports what are they talking about. Like many other countries, we have heard a lot about the US\$500 billion in trade benefits to be derived from the Doha Round. This will be welcomed if it is realized. We also heard generous figures bandied about during the Uruguay Round. No doubt some countries may have benefited but our regional reality was that the trade deficit with the rest of the world increased threefold from US\$978.6 million to US\$2,898.7 million between 1990 and 2002. In the case of Jamaica, between the end of the Uruguay Round and 2002, the country's imports increased by 91 per cent while exports declined by 8.4 per cent.

We are well aware that, as a region, our countries only account for 0.27 per cent of world trade. But although this is a minuscule share of global trade, the fact is that the relative importance of trade to our economies is exceedingly high. The terms of our engagement in the multilateral trading system clearly demonstrate that our small countries are making a disproportionate contribution to import growth in the global economy and that this is unmatched by our capacity to export or to penetrate global markets. This is untenable and Jamaica will be uncompromising in putting forward positions in the current negotiations that seek to redress this.

Like many other small developing countries, ours is a reality of small size and scale. Jamaica's production levels are small and our costs of production, both in agriculture and manufacturing, are high due to diseconomies of scale and other factors. Jamaican producers are finding it increasingly difficult to compete in their own domestic markets against cheaper imports. In traditional and other markets, we face fierce competition from large scale producers. The issue of competitiveness becomes even more pressing as preferential market access continues to be eroded. The market for bananas faces serious problems in Europe and sugar is also now under serious threat. We are increasingly unable to find space for ourselves in the global trading system and we are insisting that the WTO cannot remain aloof from our concerns.

Small developing countries, like Jamaica, cannot and should not be expected to follow the same policy prescriptions applied to larger, more advanced countries. Special and differential treatment is important as we require policy space for our productive sectors. It cannot be expected that we will abandon local production in agriculture and manufacturing, although we fully recognize the growing importance and potential of the service sector in the regional and global economy.

My delegation is here again expressing Jamaica's disappointment not only with the lack of progress on issues of concern to developing countries in the work programme but also with the WTO's lack of clear and predictable procedures for the preparation and conduct of the Ministerial Conferences. This is not merely a procedural issue. It has a bearing on substance since how we organize ourselves to conduct our business affects the extent to which a country is able to promote and defend its interests. Frankly, we do not believe that this Organization shows sufficient regard for the views of all its Members.

It is now time for the WTO to put in place procedures and organizational modalities for its Ministerial Conferences which serve to ensure transparency, inclusiveness and effective participation. We call upon Ministers to instruct the General Council to address this well in advance of the Sixth Ministerial Conference.

On the work programme of the Organization, the positions of my country, as member of CARICOM and the wider African, Caribbean and Pacific Group, are reflected in the declarations issued by both groups prior to this Meeting.

Let me, nevertheless, highlight a few of the issues of particular interest.

In the Doha Declaration, apart from the main areas of negotiation, several development issues were identified, including TRIPS and public health, special and differential treatment, implementation issues and the Work Programme on Small Economies.

Concerning TRIPS and public health, my Government appreciates the compromise that has been achieved and hopes that it will provide meaningful benefits to the peoples of the developing world.

Regrettably, however, there has been little or no progress on other development-related matters. It appears to us that some Members are willing to address development concerns as they are defined by them, but not as they are defined by developing countries themselves.

We are particularly disappointed with the lack of meaningful progress on the work programme on small economies, special and differential treatment and implementation issues.

On technical assistance and capacity-building, Jamaica appreciates the support it has received through national and regional activities of the WTO. At the same time, we continue to face challenges in implementing our Uruguay Round obligations and in adjusting to a more liberalized trade regime. Capacity-building now needs to move from more conventional forms to more long-term, practical training in specialized areas and, equally important, to addressing supply-side constraints, particularly in the productive sectors.

Even while implementation and other development-related issues are still to be adequately addressed by this Organization, we in the developing world are being encouraged to undertake additional obligations in new areas. While many of us, particularly from small administrations, face tremendous difficulties in adequately servicing the current agenda, we are being cajoled into participating in additional negotiations. Jamaica continues to oppose negotiations on the so-called Singapore issues both for capacity reasons and the implications for domestic policy options to promote national development. It is our hope that decisions on these issues will respect both the letter and spirit of the Doha Declaration.

My delegation wishes to leave Cancún with a sense of accomplishment that justifies our participation in this meeting. Decisions to be taken by this Ministerial Conference must therefore take account of our concerns in the following areas:

- Agriculture - there is need for meaningful special and differential treatment, a special safeguards mechanism, flexibility for special products and the maintenance of preferential arrangements.
- Non-agricultural market access - full consideration must be given to the revenue implications for small, vulnerable economies, the need for less aggressive tariff reductions, flexibility to exclude sensitive products and pursuit of sectoral tariff elimination (zero-for-zero) only on a voluntary basis.
- Special and differential treatment - there is the need for agreement on a meaningful package of decisions with binding commitments which are not merely a presentation of "best endeavour" provisions in new guises.
- Small economies - the acceleration of the work programme in this area, focusing on developing and adopting a plan of action proposing specific recommendations and measures to ensure the beneficial participation of small economies in the multilateral trading system.

In closing, I take this opportunity to welcome the new Members, Nepal and Cambodia, to the Organization. They are both least-developed countries and their membership should help to focus even more the attention of the WTO on issues relating to trade and development.

I also wish to express my sincere appreciation to the Government of Mexico for their efforts to bring transparency to the process and for the warmth and hospitality extended to my delegation.

Let Cancún be a meeting for transformation, truly capturing the Development Agenda.
