

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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Introduction of Communication by Jamaica - NG5/W/42

Jamaica wishes to introduce the communication contained in document MTN.GNG/NG5/W/42. It follows on an earlier communication by Jamaica, NG5/W/32 and on our statement made at the Negotiating Group meeting of 26-27 October 1987 NG5/W/23 - both of which have been circulated.

By way of background I will recall that Jamaica, and indeed a number of countries, have stated in earlier discussions in this Negotiating Group, their view that the negotiations should take fully into account the interests of all participants, developed and developing, exporters and importers of agricultural products. Specifically we have emphasized that the interests of developing countries that are net importers of agricultural products or are heavily dependent on agricultural imports, should be fully reflected in the results.

I think it is generally known that a number of countries, including at the outset some developed ones, have made efforts to prepare a common paper which would set out in a coherent and comprehensive manner the concerns and interests of contracting parties who are not major exporters or are largely dependent on imports. A number of statements which drew on or were relevant to the issues raised in the draft common paper were made at the Negotiating Group's meeting on 7-8 December 1987. I should like to draw attention to statements made by the delegations of Mexico (NG5/W/36), India (NG5/W/37), Egypt (NG5/W/38).

Jamaica is submitting in its own name a revised version of the draft on which it worked with a number of delegations. We regard the concerns and views outlined in this "communication" as vitally important and we consider it imperative that they be placed formally and in a comprehensive manner before this Negotiating Group, particularly as its agenda takes on more concrete form.

Allow me to provide an overview of what is contained in this document. In the introduction to the communication, it is emphasized that the negotiations must be consistent with both the "Objectives" adopted in Punta del Este, the Negotiating Plan and with the General Principles governing the negotiations. We emphasize again that the "General Principles" envisage "mutual advantage and increased benefits to all

participants" and that less developed contracting parties will not be required to make contributions inconsistent with their individual development, trade and financial needs.

The 'objective' of "greater liberalization of trade in agriculture" must take these and other principles into account. It is because Jamaica does not believe that "mutual advantage and increased benefits" should be posited in an abstract manner, nor do we believe this can be identified or defined by other than the sovereign contracting party or parties involved in the negotiations, that we have sought to set out clearly in this document the concerns and interests of a country such as my own, which participates in agricultural trade as a net importing developing country. We draw attention in the introduction to the provision for 'evaluation of results' before the formal completion of the negotiations. This we view as further indication that the General Principles - in this case differential and more favourable treatment - must have clear and effective application and be an integral part of the negotiations.

In the second major section of the paper we have identified major problems affecting directly or indirectly international trade in agriculture. There is excess production of some agricultural products in a number of developed countries. In some cases there are structural surpluses, created by support policies, which have led some of these countries to become net exporters, denying competitive producers, including less developed contracting parties, their legitimate markets. But we emphasize, there is no excess production at the global level, only inadequate purchasing power and imbalances in production and consumption. It is relevant to recall here that the developing countries have for several years provided the dynamic element in growth in agricultural trade. The data show that between 1972 and 1980, importation of agricultural products by developing countries grew by 122 per cent; in centrally planned economies by 64 per cent, and in developed market economies by 3 per cent. A large number of developing countries continue to run structural deficits in their agricultural trade and have now found their capacity to import essential food products impaired by debt and other financial constraints. This situation would be aggravated by increased food import prices. I would add that in many developing countries a high proportion of the incomes of those who earn low or minimum wages go towards purchasing food. In identifying major problems affecting international trade in agriculture, the communication notes also that the imbalance between supply and demand and the uncertainty in agricultural markets is worsened by the need to dispose of non-economic production, by volatile exchange rates and increased speculative trade in agriculture commodities.

A third major section of the communication identifies Basic Principles which should be incorporated into more operationally effective GATT Rules and Disciplines to ensure "mutual advantage and increased benefits to all participants"

These principles must include an equitable balance of benefits amongst the participants. This requires recognition of agriculture's unique rôle in developing countries as a source of income and employment; its importance to the attainment of wider social and economic policy objectives, including food security; recognition of the special characteristics of this sector as distinct from other economic sectors, which in turn require special policies and measures; and finally the differences in circumstances and conditions among countries and regions and the need to take account of the level of development of the agricultural sector in developing countries. I would wish to recall that the agricultural sector accounts for approximately 20 per cent of GDP in developing countries and only 3 per cent in developed countries. By the same token this sector accounts for 60 per cent by value of developing countries commodity exports. The figure for developed countries is 24 per cent.

In paragraph 13 of the communication we have indicated preliminary views on areas which a proposal will address. We envisage that export subsidies should be brought under strengthened rules and disciplines; that measures agreed for the use of subsidies shall respect policies and measures adopted by governments for certain purposes, which have been indicated; that structural and sectoral adjustment programmes will be respected; that the flow of food aid to developing countries facing food shortages should be maintained and enhanced; that Usual Marketing Requirements should be reviewed, as well as long term agreements among developed countries with products in surplus. The concept of prices "remunerative to producers and equitable to consumers" is already agreed by the international community and should be an integral part of the results. The increased investment which is required by developing countries in agriculture should be facilitated by appropriate policies and measures, including incentive schemes. Finally, sanitary and phytosanitary regulations should be standardized and applied on a non-discriminatory basis.

An important, indeed a fundamental principle is special and differential treatment for less developed contracting parties. We emphasize that this should be respected fully and reflected appropriately in the results, as agreed in the Declaration. This principle must be given specific and concrete form and should be devised so as to take account of the needs of individual developing and contracting parties as well as being of general application to them. Special and differential treatment must be an integral part of strengthened GATT Rules and Disciplines.

My delegation is convinced that the interests of all participants must be taken into account in a balanced manner if we are to fulfil the mandate of Punta del Este and guarantee that the greater liberalization of agricultural trade will also benefit many less developed contracting parties.

My delegation requests that this statement be fully reflected in the records of the meeting. We will be handing it to the Secretariat for this purpose. We emphasize again our view that the comments and views by developing countries in this Group should be given equally full treatment in the records as the case with other participants.

Notes by the Secretariat of 19 November 1987 (W/33) and 27 January 1988 (W/40) providing summaries of the main points raised at the meetings of this Group held in October and December, respectively, refer to documents in conjunction with which the summaries should be read. My delegation may be mistaken, but it can find no reference to NG5/W/32 - the earlier communication from my delegation.