

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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TWENTY-THIRD SESSION OF THE NEGOTIATING
GROUP ON AGRICULTURE: JULY 1990

Statements by Jamaica

12 July 1990

1. We are well aware of the many different positions that have been put forward by participants in this Negotiating Group and the challenge that has faced you as Chairman in putting together the paper before us. We commend you for this effort to find the common ground, or perhaps more accurately this effort to find a basis on which common ground might be established. We wish however to state that despite considerable ingenuity in your effort to reflect positions, we find that the paper fails to provide a basis for negotiations that would encompass some of the main concerns expressed by some participants in the Negotiating Group. I should emphasize that Jamaica's concern is not that the paper does not reflect this or that particular element or detail. Rather we are concerned that as it now stands the paper would severely limit the scope of the negotiations in certain areas of major interest to us.

2. I will start with paragraph 23. Several participants have referred to the contents of this paragraph. Jamaica has no fundamental difficulty with what the paragraph actually states. We do recognize that there is legitimate concern that food aid and concessional sales should not be used to circumvent disciplines that might be agreed on export competition. We also know that there is well-founded concern on the part of many developing countries that supplies of food aid and the scope for concessional sales will be adversely affected by such disciplines. We think it important therefore that the negotiations ensure that food aid and concessional sales will continue and even be increased as necessary. We see this objective as the point of this paragraph 23. What Jamaica is absolutely unclear about however is what this long-term issue which must be addressed has to do with the short-term transitional modalities proposed by net food-importing countries as a means of offsetting the adverse effects of price increases which might occur during the reform period. We have sought to have the negotiations discuss and agree on certain measures to offset adverse price effects of the reform measures in the short-term. This is not at all the same issue as negotiating terms and conditions on which food aid and

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concessional sales will be provided in the long-term to recipient countries so as to ensure, inter alia, adequacy of supply and non-circumvention of export subsidy discipline. We do not think therefore that this paragraph provides an adequate basis for addressing the specific short-term concerns raised by net food-importing countries.

3. I will make a few comments on other aspects of this paper which are of concern to Jamaica and we think to developing countries generally. A general point is that the information that is required to be provided by 1 October 1990 is onerous and could be impossible for some developing countries to provide, particularly in such a short time frame. This is an important issue, for the Chairman's paper is unclear on the implications for further participation in the negotiations should this information be unavailable in whole or in part. After this general point, I will make a few comments on the main areas of the text. We note the rôle envisaged for the aggregate measurement of support. According to the paper, the AMS will be the instrument for the expression and the implementation of commitments on internal support. This is stated in paragraph 5. Your text however states, Mr. Chairman, that should the AMS be unavailable, "equivalent commitments" will be allowed. What are these equivalent commitments? Are they policy commitments? We anticipate that the AMS is likely to be unavailable for a large number of developing countries. Does this mean that developed contracting parties will be making AMS commitments, while developing contracting parties are more likely to be making specific policy commitments? The imbalance in this is evident especially when it is borne in mind that were the AMS available for many developing countries and their products, it might have been negative in the first place.

4. We are gratified that in paragraphs 11 and 12, the text asserts that flexibility in the nature, extent and timing of commitments may be afforded developing countries. We are however unhappy that even in such a general formulation, which is essentially a statement of principle regarding flexibility, the language used is conditional (i.e. "may be accorded"). We can understand that the precise content of flexibility to be afforded developing countries will have to be negotiated. Yet we must note with interest that even at this point considerable precision has been given in the paper to flexibility that will benefit developed countries in two areas of primary importance to them. It is clearly spelt out that there will be flexibility in respect to resource diversion and retirement programmes and in respect to income safety net programmes. The consequence of this is that developed contracting parties will have the flexibility to restrict production and to assist in maintaining the living standards of their farmers. In practical terms the text offers no comparable generosity to developing contracting parties. Already it is made quite specific that they will have no flexibility to stimulate production and enhance living standards of their farmers through price support above world market prices even, presumably, should they be able to demonstrate that such support in a particular situation or for a particular product is minimally or non-trade distorting. I turn to border protection. We note with interest that regard to border protection the flexibility envisaged for developing contracting parties is less than that envisaged for internal support. In

respect to internal support, flexibility is contemplated on the nature, extent and timing of commitments. But in paragraph 15 we see that flexibility on border protection is intended only in the implementation of commitments. The paper clearly narrows the scope of the negotiations that will ensue were the negotiations to proceed on the basis of paragraph 15 as now worded. Moreover, the narrow scope of flexibility for developing countries as reflected in paragraph 15 becomes particularly significant when we examine the nature of the commitments that are envisaged on border protection. Border measures other than normal customs duties are to be tariffied, all existing tariffs and the tariff equivalents are to be bound and thirdly, tariff and tariff equivalents are to be substantially and progressively reduced. Should all developing countries undertake those commitments with flexibility only on their implementation, by which we assume is meant on their timing, the paper would appear to be requiring of developing countries a contribution that exceeds what is required on border protection in other areas of the Uruguay Round negotiations and indeed a contribution which may in practical terms leave little scope or leeway for taking account of general development needs. Two further comments on this section of the paper, that is on border protection. We find it surprising that sub-paragraph A, which requires the conversion of all border measures other than normal customs duties, does not make clear, as we think it should, that border measures consistent with the General Agreement are not encompassed in this requirement. Finally, we note paragraph 13. We can agree that there should be the possibility of negotiating specific solutions in the case of particular situations which may exist for some products.

5. On export competition, Mr. Chairman, we do not find any reference at all to flexibility for developing countries either in respect of the nature and extent of commitments as is the case for internal support or in respect of their implementation as is the case for border protection. As a preliminary observation, for example, we do not see any equity at all in an across-the-board reduction in export assistance, as seems to be proposed in paragraph 19, for as we all know, there is immense disproportion in the level of existing export subsidies as between developed and developing contracting parties. Mr. Chairman, the foregoing are some comments that we have on your paper. Again we think it is a commendable effort but we do not think that the language that now exists in some parts of the text provides a sufficient basis for negotiations that will encompass certain important issues and concerns that have been advanced in the Negotiating Group particularly by net food-importing countries and by other developing countries. We are very concerned that a mutual balance of benefits will not be a possibility on the basis of the language that now obtains in some paragraphs.

19 July 1990

We have noted carefully the terms in which you have presented this draft framework to the Negotiating Group. We note in particular that it is a means for intensifying the agriculture negotiations and that it will remain a "draft" framework.

Jamaica has already made comments on what we see as important shortcomings of the draft framework. I will not repeat them now. We have found deficient the treatment of the concerns of net food-importing developing countries and of developing countries' concerns in general. I emphasize that the position we take is that specific measures to offset increased prices of basic food commodities resulting from the reform process must be negotiated and agreed in the Round, and we therefore interpret paragraph 23 of your text as providing for this. We would have wished to see this stated explicitly in your text itself, but in the absence of this, would wish to see it stated in your covering note.

We have noted, Mr. Chairman, assurances given by you concerning the extent of the flexibility envisaged for developing countries in your draft framework and particularly in paragraphs 11 and 15. In this connection, we take the position that for our country's interests to be adequately met, these two paragraphs will have to be interpreted generously and reflected concretely in the final outcome through specific measures in favour of developing countries.

We reiterate now and emphasize our reservations concerning the capacity of Jamaica, and I might say many other developing countries, to submit the country lists called for in paragraphs 6, 12 and 20 by 1 October 1990. We have already stated that it will be difficult if not impossible to compile this information in such a short time, if at all. We repeat that the AMS is not available in many developing countries and the alternative of specifying equivalent commitments by 1 October, where the AMS is not available is not, in our view, a fair approach nor likely to be possible before 1 October 1990. This is just by way of an example of the problems envisaged in submitting country lists. We think that much greater clarity is needed on precisely what is expected of developing countries with respect to country lists. For our part, we think that this should be a first practical application of special and differential treatment in the negotiations. Developing countries should be granted considerable flexibility in and be exempted as necessary from the provision of the information required in the country lists.

Finally, Mr. Chairman, we would wish to be assured that the process of negotiating substantial and progressive reductions in support and protection, as set out in paragraph 24 of the draft framework, will be a fully transparent one, and that developing countries, including those who may fail to meet the deadline for the submission of country lists, will be fully enabled to continue their participation in all aspects of the work of the Negotiating Group.

Mr. Chairman, we would wish for these comments, as well as those made earlier, to be fully reflected in the records, so that the basis on which the draft framework goes forward to the TNC is clear.