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Statement by Bolivia

G/AG/NG/W/98 (Proposal submitted by the Republic of Korea)

My delegation had not intended to intervene in the discussion of this proposal, the Ambassador of Paraguay having already read out a statement on behalf of the MERCOSUR countries, Bolivia and Chile to which we subscribe in full. However, after hearing the statements made by various delegations, particularly from the developed countries but also from the developing countries, we are seriously concerned at the turn taken by the discussions since yesterday.

We are worried that certain proposals, including that of Korea, suggest a return to the protectionist practices that existed prior to the Uruguay Round, while at the same time seeking to demonize the agricultural exporting countries as if it were a sin or a heresy to belong to that category. Large and small agricultural exporters are being demonized as if there were no such categories as exporters of industrial products or services, or net importers of industrial products and services, as if there were no such thing as large and small exporters of industrial products and services, as if there were no such thing as developing countries that are net importers of industrial products and services.

Bolivia, a developing country with a small economy and a net importer of industrial products and of services, does not apply any protectionist measures on industrial products, nor does it apply such measures in the services sector or the agricultural sector. **Bolivia is a country which does not distort trade**, in spite of the chronic trade balance deficit from which it has suffered ever since it became a GATT contracting party in 1990. For example, in 1994 Bolivia exported only 4.8 million dollars worth to Korea, while importing 14.4 million dollars worth, a negative ratio of 3 to 1. In 2000, Bolivian exports dropped to 1.4 million dollars, while imports from Korea rose to 18.5 million dollars, i.e. a negative ratio of 13 to 1. While our trading partners continue to derive considerable benefit from Bolivia's open economy and non-protectionist trade policy, Bolivian agricultural products are having to face increasingly complex and varied trade barriers.

There is no sin to being an agricultural exporter. Indeed, for Bolivia it is a great honour, because it reflects the honest and hard labour of its producers, who receive no subsidies or support that is contrary to the spirit or letter of the multilateral trading system. We hope that in the near future, WTO Members who advocate protectionist principles, such as multifunctionality, will appreciate the example of Bolivia, a developing country with a small economy, exporter of agricultural products and net importer of industrial products and services, which does not distort trade.

We fully agree with the statement made by Korea in the first paragraph of its proposal that the agricultural sector had received an exceptional treatment in the GATT system. Over the past 50 years, the agricultural sector has been the subject of unfair discrimination. For 50 years, our development expectations have been sidelined, and now we are being asked to accept a new round of negotiations and to tolerate the maintenance of export subsidies and preferential export credits, the

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maintenance of protectionist domestic support measures, and the perpetuation of the blue box in exchange for such vague promises to open up the agricultural sector that may result from the negotiation process.

It is essential to recall, however obvious it may seem, that we are involved in negotiations aimed at liberalizing agricultural trade in the framework of the WTO, whose objective is to establish a multilateral trading system free of all distortion, and not, I emphasize, in a competition for the title of champion of protectionism, which in these times of globalization would be entirely out of place.

We are repeatedly told that the reform process is a long one, a very long one, and that this is only the second stage, to be followed by a succession of other stages. What we are being asked to do is to wait another 50 years. We are reminded by certain countries that we must take account of the growing concern of their consumers, of the families of their small-scale agricultural producers and of their rural communities. But we have not heard a single word about the growing concern of our consumers, who are being asked to live on subsidized food imports, produced with fertilizers, insecticides, pesticides and other chemicals that are harmful to human health and to the environment. Not to mention the violation of certain basic rules of nature in turning herbivores into carnivores. We have not heard a single word of the fate of rural communities which are falling apart because our farmers are forced to abandon their land and head for the cities to join the expanding poverty belts in the urban and suburban areas. We have not heard a word about the small and medium agricultural export firms which have collapsed and have had to lay off thousands of workers who have been forced to join the ranks of the unemployed or struggle for survival in the precarious informal economy. How is it possible to have such a biased and one-sided approach to agricultural trade, an approach which seeks to protect the commercial interests of a small group of rich countries by sacrificing millions of human beings in the developing countries to hunger and poverty?

It is time to begin discussing the substantive issues involved in the liberalization of agricultural trade and to begin negotiating access to the markets which are currently protected, access for soya, for sugar, for cotton, for Brazil nuts, and for quinoa, the famous cereal of the Andes; the time has come to seek agreement on the elimination of export subsidies and preferential export credits, of the amber and blue boxes.

We need the political will and we need clear messages if we want to make significant progress in the agricultural negotiations and show that all WTO Members respect and comply with the negotiating mandates; and for our part, we will show the political will to consider, on an equal footing, all of the trade and non-trade concerns of our partners.
