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### Statements by Cuba, Honduras and the Dominican Republic

#### **Assessment of the First Phase of the Negotiations under Article 20 of the Agreement on Agriculture**

On behalf of the delegations of Cuba, Honduras and the Dominican Republic, I should like to refer briefly to the assessment of the first phase of the negotiations on agriculture. As everyone is aware, the present negotiations are designed to continue the reform process initiated with the Uruguay Round, so as to establish a fair and market-oriented agricultural trading system. To this end, we believe that in the first phase, started in March 2000, the Members of the WTO have worked arduously and we have submitted a total of 47 initial proposals.

Generally speaking, it may be said that the objective of the first negotiating phase has been completed satisfactorily, since the vast majority of Members have played an active part, submitting proposals and explaining their expectations for the current negotiations. However, when we examine the contents of the papers submitted by some developed countries, we cannot fail to be pessimistic about the future outcome of these negotiations. We see proposals which are virtually a step backwards in the liberalization process and do not make the slightest contribution to achieving fair and balanced agricultural trade. Concepts have been introduced which, as far as we are concerned, are nothing more than a pretext for continuing with the distortions in the agricultural sector, such as the multifunctionality of agriculture, the non-trade concerns of the developed countries, like environmental protection, animal welfare, and so on. When we see these initiatives, we are disappointed, because we find that there is no political will on the part of some developed countries to abolish export subsidies, which in our opinion are the factor that causes the greatest distortion in the agricultural market.

Agriculture was one of the few sectors negotiated in the Uruguay Round from which it was hoped that the developing countries would obtain major benefits. However, six years after implementing the Agreement, those benefits have not materialized. It is for this reason that the current negotiations should entail a genuinely significant process of reform to eliminate the distortions in this sector and enable the developing countries to benefit from the comparative advantages they enjoy.

It is also important to emphasize that these negotiations have their own mandate, contained in Article 20 of the Agreement on Agriculture, are independent of other possible work done in the WTO, and should not be tied in with launching a possible Round of Negotiations, for which there is no consensus within this Organization.

On the other hand, we deem it relevant to mention the broad support and consensus observed in the majority of the proposals submitted to achieve recognition of the importance of special and differential treatment for the developing countries, and regard it as a key element to be taken into account during the present negotiations.

Everyone recognizes that the Agreement on Agriculture contains some provisions relating to special differential treatment, but these provisions have been totally inadequate in meeting the goal of levelling the situation between the developed countries and the developing countries in the agricultural sector. In fact, the Agreement on Agriculture tolerates the high protection levels enjoyed by the developed countries and places restrictions on the developing countries in resorting to the same protection tools.

Again, the situation and the role of the agricultural sectors in the developing countries, the levels of food insecurity and the overall situation of the economy mean that those countries are much more vulnerable to international price fluctuations, to reduced availability of food aid and to small variations in food supply. The agricultural sectors of the developed countries, on the other hand, are highly supported and protected, enjoy a good infrastructure and access to information, local and foreign markets, as well as technology. It is due to these very different situations and to the poor capacity of the Agreement's present provisions on special and differential treatment to resolve the problems of the developing countries that most of the countries that have submitted proposals have pointed to the need to strengthen those provisions as one of the main objectives of these negotiations.

For our part, 11 developing country delegations have submitted three proposals; one on special and differential treatment and a development box, Annex 2 or Green Box subsidies and on market access, in which we have indicated elements that must be included in the negotiations and which we hope will be discussed in greater detail during the second phase. Lastly, we can infer that, during this first phase, the developing countries have common views on several points, which we regard as the following:

- Recognition that special and differential treatment is a key element in these negotiations and must be strengthened.
- Export subsidies must be eliminated, and domestic support should be substantially reduced by the developed countries. Until there is agreement on a different timetable for doing away with export subsidies, the developing countries should not be required to grant greater market access concessions.
- The need to establish a special safeguard mechanism for the developing countries.
- Recognition of the food security problems of the developing countries and the need to find suitable mechanisms to solve them.
- And protection of small farmers, as well as the maintenance of employment in rural areas.

#### **Work Programme of the Second Phase of the Negotiations under Article 20 of the Agreement on Agriculture**

We wish to refer briefly to the work programme you have submitted to us. Firstly, we are gratified to note as a specific point that special and differential treatment is an integral part of all elements of the negotiations, as established in Article 15 of the Agreement on Agriculture. In this connection, we support the Indian delegation's drafting suggestion.

As to the number of meetings, we endorse the position of the CARICOM Group that the meetings are numerous and we believe that it is appropriate for the meeting scheduled for the month of June to be simply a regular meeting. In this respect, it is important to emphasize that it will be very difficult for our delegations to accept any additional meeting, since we have agreed to six, which will

already be very difficult to cope with for small delegations. In agreeing to these six meetings, we have shown flexibility and we hope to see the same flexibility on the part of the developed countries in deciding on the number of meetings on implementation.

With reference to the list of points for discussion, our delegations would have preferred a thematic arrangement following the pillars of the negotiations during the first phase: Market Access, Domestic Support, Export Competition and Special and Differential Treatment. This would have been a methodical and orderly way of arranging our work. However, we join in the consensus, bearing in mind that the list is not exhaustive and the order of the topics does not reflect their priority, for at any time the points of interest to us will have to be taken into account. Similarly, it is our understanding that special and differential treatment will be discussed as an integral part of each of the elements on the list.

The agricultural sector is one of the few in which the developing countries enjoy comparative advantages and, five years after the conclusion of the Agreement on Agriculture, we have not obtained the benefits we had expected.

While this continues, we note that the developed countries have not shown signs of the requisite political will to resolve the problems of implementing the other Uruguay Round Agreements.

In view of this situation, at this time we should like to reiterate the position that our delegations have been expressing within this Organization, namely, that a further round of negotiations is pointless in a multilateral trading system which still has not resolved problems of implementation and is plagued by distortions and imbalances.

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