

WORLD TRADE ORGANIZATION

WT/MIN(01)/ST/110
12 November 2001

(01-5714)

MINISTERIAL CONFERENCE
Fourth Session
Doha, 9 - 13 November 2001

Original: English

REPUBLIC OF THE FIJI ISLANDS

Statement by H.E. Mr Isikeli Maitaitoga
Ambassador, Permanent Representative to the WTO

We wish to first of all express our sincere gratitude to the Government and the people of Qatar for their willingness to host this very important conference. We are delighted to be here and I hope that our little contribution would assist in making this conference a success.

We also wish to record our gratitude to the Director-General, Mr Mike Moore and to all the hardworking staff of the World Trade Organization (WTO). I specifically wish to acknowledge the hard and efficient leadership of Ambassador Harbinson of Hong Kong, who as Chair of the General Council has worked many long and difficult hours to get us to a position that has made it possible to have this meeting.

We regard globalization not only a necessity, but that it is also inevitable. Our difficulty is not with the process of globalization *per se*, rather with the pace at which it is being dictated by the developed economies of the world. We also accept that the multilateral trading system of which the WTO is the cornerstone institution is here to stay and that there is very little choice for countries as small and vulnerable as mine to effectively change and rebalance the rules of trade, except by exercising our membership rights in association with other like-minded countries to achieve our common objectives.

On the Organization itself, my delegation wish to acknowledge that since the Seattle Conference there has been a marked improvement in the efforts of the Secretariat to effectively involve small developing country delegations like mine in the decision-making process. We now feel a degree of ownership with other Members. This is the result of initiatives such as the Geneva Week for Heads of Non-resident Missions, which the Director-General has put in place to widen the democratization of our Organization. I hope that this initiative will become a permanent part of the organization programme.

The multilateral trading system

If the multilateral trading system is to address of the needs of our global village, I agree with Mr James Wolfensohn¹, President of the World Bank, that that system must be underpinned by the four principles he has identified. Those four principles are:

- To speak of the poor today is to speak for peace and stability of our global village;
- the trade agenda cannot be debated (negotiated) in isolation;

¹ Statement to the 3rd WTO Ministerial Conference, Seattle, 30 November 1999 (WT/MIN(99)/ST/19).

- the "development round" must move beyond the narrow negotiation of mutual concessions; it must address in a creative way a world trading system that really makes a difference to developing countries;
- the multilateral trading system must be genuinely inclusive.

If we endorse the above principles, then it is logical that in the new round of trade negotiations a priority area that will be addressed is to expand market access for all exports from developing countries. Another priority area for action would be to work collaboratively to support capacity of the poor countries to participate in international trade negotiations. It is not enough just to be at the table, their voices must be heard too.

The multilateral trading system must ensure that trade liberalization is at the centre of the wider context of global development effort. It must not only provide comprehensive assistance programmes that get maximum results for developing countries, but must also create programmes that go beyond trade expansion to support institutional reform, regulatory reform and the development of the physical and social infrastructure. In this way, the needs of the poor would be addressed in a real and effective way. We must resolve to give the benefits of the new development round to the poor.²

A new round

We would support a new round that addresses the inequities of the Uruguay Round. It must begin where there are existing commitments for the developed countries to fulfill. Free and fair trade must be the primary objectives of the rules-based trading system we are trying to create. Without fair trade, free trade left on its own accord will further marginalize the developing countries, especially the small economies and the small island developing States. There is a need for an equity "down payment" in the form of strong and genuine international commitment from the developed world, to consider special arrangements for developing countries. The specific aim must be to create new opportunities for developing countries to earn higher incomes through their own efforts as participants in the global trading system.

In this regard, we support fully the ACP Trade Ministers Declaration³ on the 4th WTO Ministerial Conference which was reached in Brussels on 6 November 2001. A copy of the said Declaration has been submitted to the 4th WTO Ministerial Conference Secretariat.

Specific issues

On some of the specific issues that will be considered by this Conference, my delegation's positions are as follows:

Implementation issues

We are grateful for the dedicated attention these issues have received since the Seattle Conference. During this Conference, Ministers will consider and may approve draft decisions on the future work programme which has come forward from subsidiary bodies. The progress achieved thus far is an improvement and should be the basis for moving forward on some of the issues. However, there are still issues of critical importance to the trade of many developing countries that is still outstanding, namely, in the area of Subsidies and SPS Committees.

² The duty to give to the poor is biblical: Galatians 2:10; Proverbs 29:14.

³ W/L/430, 9 November 2001.

We would like the draft Decision to include specific recommendations for appropriate actions to be undertaken by the relevant subsidiary bodies on issues not specifically covered in Annexes I and II. Part of this decision should address the exact nature of the post-Doha process that will take up the outstanding issues and the time-frame for it to be completed.

Agriculture

We favour the continuation of a reform process in agriculture that acknowledges and provides for diversity of agricultural systems and situations worldwide and, in particular, the specificities of small island developing states (SIDS). The latter countries have largely not effectively benefitted from the Uruguay Round and they should now be afforded concrete, operational and commercially meaningful measures in the context of the negotiations on agriculture.

Non-trade concerns is particularly important to Fiji.⁴ Food security, rural development and environmental preservation are issues we would like addressed in the context of the Article 20 Agreement on Agriculture (AoA) in-built negotiations. We must avoid the tendency to push for a "one size fits all" approach and ensure that instruments adopted in this area are flexible enough to accommodate the specificities and diversities of SIDS.

Indeed, SIDS should be allowed to use appropriate means to ensure that agriculture continues to play its multifunctional role. The specific trade arrangements that SIDS have developed over the years and which has allowed them to pursue their agricultural policy objectives should be protected and its competitiveness improved.⁵

On **Special and Differential Treatment (S&D)**, we note that the preamble to the AoA recalls that S&D for developing countries is an integral part of the reform process. The primary intent of S&D is to establish equity and fair competition where structural conditions across countries are different.⁶ In its present formulation S&D has been restricted to provide developing countries with longer time-frame to undertake reform. Whilst this element must remain, it needs to evolve to address inherent structural difficulties of countries like mine, due to their geography and smallness, which places severe restrictions on their capacity to achieve a high level of competitiveness.⁷ In this regard, we would support the proposal put forward by several delegations on the concept of a "development box".⁸

The S&D instruments should be improved or be more targeted towards the needs of SIDS and in that respect seek to exempt from reduction commitments any measures aimed at poverty alleviation; it should seek to achieve security of access for SIDS and small producers, in particular, those that are unable to take advantage of any increase in *de minimis* levels or greater flexibility in providing domestic support measures.

S&D must include adequate differential obligations for developing countries and the necessary exemptions from obligations for them to pursue their development objectives.

On **market access**, Fiji depends on one major agricultural commodity (sugar) for export. The earning from this export is so vital to the socio-economic development of the country, it is crucial that

⁴ See submission by Fiji and others in G/AG/NG/W/36/Rev.1.

⁵ Commitment 3 (Paragraph 38) of the Action Plan of the Rome World Food Summit 1996, highlights the difficulties SIDS faces in trade facilitation due to the severe constraints imposed by climatic conditions and diseconomies of scale.

⁶ For detailed outline of S&D, see: G/AG/NG/W/55.

⁷ For details of the vulnerable factors of SIDS, see: "Trade Issues Facing Small Island Developing States" (SIDS 99: Inf.3) <http://www.fao.org/docrep/meeting/x1009s.htm>.

⁸ WTO document: G/AG/N/G/W/13.

market access for this commodity is guaranteed, predictable and secure. We would like to see that existing market access of countries like ours which are single commodity producers be protected, given that the share of world trade covered is so small that it cannot be considered to have any trade distorting effect.⁹

Preferential trade arrangements which are historical and directly contribute to poverty alleviation and socio-economic development in SIDS should continue. Any review of TRQ administration should not negatively impact the current market access of SIDS.

On **domestic support**, Fiji notes the imbalances that exist in this area. Whilst the AoA provides for the long-term objective of progressive reductions in support and lays down rules in respect of the kind of support that may be granted, the budgetary outlays often required to support such measures for our primary producers is usually beyond our reach. The result is that our farmers do not get much support and this leads to a limited capacity to develop relevant agricultural research and technology development. Raising the *de minimis* level or expanding the green box, whilst attractive, is of little value to countries like Fiji because of the high financial costs required to maintain such measures.

On **export competition**, Fiji believes that a cautious and pragmatic approach should be adopted when dealing with all forms of export competition. Such measures do have a positive incidence on the food procurement capacity of small countries like mine whose capacity to diversify are severely limited by agro-climatic factors. A small economy like Fiji, whose major export markets are on the other side of the global village, should be exempted from reduction commitments in respect of subsidies aimed at reducing the costs of marketing its agricultural products and to lower internal transport and freight charges on export shipments.

Sanitary and phytosanitary measures

Fiji exports tropical fruits and food crops to markets in Australia, New Zealand and South East Asia. Our ability to increase our market share is severely impaired by the quarantine standards used by these countries, which are all different, yet they all claim that they are WTO consistent. Our concern is that SPS measures are not used as barriers to trade.¹⁰ In this regard, Article 4 of the SPS Agreement should be operationalized so that developing countries may enter into equivalency agreements.

The S&D provision of the SPS Agreement (Article 10) should receive dedicated attention during the work programme envisaged under the Draft Decision on Implementation Related Issues and Concerns and the need for a longer time-frame for compliance.

Trade in services

We recognize that there is great potential for economic growth in opening up our services sector. But to ensure that Fiji's enterprises would have a competitive edge with others from more developed economies who may wish to invest in this sector, we need to have appropriate assistance over a period of time to prepare. We do not want to open our services sector to be exploited only by outside investors.

We are presently engaged in a measured approach to liberalizing our services sector, maintaining close consultation with all stakeholders to ensure that the objectives of a liberalized

⁹ For a useful submission by Member States on the problems of market access, see: G/AG/NG/W/37.

¹⁰ For details of difficulties of developing countries see: FAO 1999 symposium on "Agriculture, Trade and Food Security: Issues and Options in the Forthcoming WTO Negotiations", Paper No. 3, Synthesis of Country Case Studies.

service sector is in line with our development goals and the delivery arrangement for those services is effective and efficient.

Technical assistance

We commend the Work Programme for Technical Assistance¹¹, three-year plan 2001-2003 and requests that the Council of Ministers ensure that funding for the programme is adequate and that the Secretariat is given clear instructions and time-frame to implement these.

The Singapore issues

We are not against discussing these issues in this Conference. However, any attempt to include them in any agenda for a new trade round must be accompanied with appropriate trade-offs on issues of concern to the developing countries. We would prefer that as a starting point, the outcomes of the discussion of this Conference be referred to the relevant subsidiary bodies in the Secretariat to engage in further consultation with Member delegations on these issues and to report to the next conference. Our concern is, if we include these issues in the agenda of a new round, we will be entering new areas of trade, at a time when the imbalance of the Uruguay Round is yet to be fully addressed. Further marginalization is likely in that scenario.

Accession

We are also concerned with the rigidity of the Accession Process as regards small developing countries and what we perceive to be cumbersome requirements. From the Pacific Region, the Republic of Vanuatu has been under process since 1995 and we are now advised that they will be admitted as full members at this Conference. We only hope that Tonga and Samoa who have just begun the accession process will not experience the same difficulty as Vanuatu.

We live in a world that is imperfect and abound with injustices. However, we can all resolve to begin a process at this important Conference of world trade leaders, to strive together to make our world a better place to live in, whilst respecting the dignity and needs of the poor.

¹¹ Reference WTO documents are: WT/COMTD/W/78; WT/COMTD/W/84.