# WORLD TRADE

## **ORGANIZATION**

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### STATEMENT BY JAMAICA AT THE SPECIAL SESSION OF THE GENERAL COUNCIL ON 24 – 25 SEPTEMBER 1998

The following statement made by Jamaica at the Special Session of the General Council is circulated to Members. At the request of the delegation of Jamaica its statement at the July 1998 General Council meeting<sup>1</sup> is reproduced in the Annex.

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Jamaica wishes to make a few points under very specific headings. First, it wishes to follow the agenda that was adopted by dealing with some substantive issues and the organization of work. Second, it wishes to draw attention to Jamaica's proposal in document WT/GC/W/97, which set out its thinking on dealing with the issues; Jamaica wishes to recall also the process leading up to, and including the end of the Uruguay Round. At the launch of those negotiations, there had been some substantial autonomous trade liberalization measures undertaken by developing countries. At the end of the Round, a multiple of the trade covered and engaged in at the import level of developing countries had been bound under WTO rules, and that was a plus. The process had been started with a standstill commitment with regard to measures on trade in goods under the GATT. Also, while negotiations had not begun on both goods and services as a "single undertaking", they had ended as a "single undertaking". Jamaica recalls this because it was important that as one moved to the next phase of comprehensive negotiations, one be clear when one referred to a "single undertaking". It was clear that when the Uruguay Round had been started, there was not a permanent negotiating forum as such. In the WTO, Members now had permanent negotiations, and they should therefore be very clear that a single undertaking did not mean starting today and ending everything tomorrow. Some results could be implemented if they led to a balance of benefits among the trading partners. As regards the substantive issues, Jamaica has every confidence that, in launching the services negotiations in the year 2000 and the agriculture negotiations by the end of 1999, Members would fulfill the commitments undertaken in the Uruguay Round without any damage to a "single undertaking" comprehensive set of negotiations that they might undertake in the future. Jamaica wishes to underscore that one did not need to wait for a comprehensive round for these negotiations to begin and to make progress. There was a distinction to be made between the mandated negotiations and the other issues on which there was as yet no agreement that Members would formulate additional rules, disciplines and commitments. It was only when those decisions were taken in the General Council that these issues could be brought to that level. Jamaica believes also that as part of the ongoing work, the least-developed and developing countries should have their substantial concerns addressed very much at the outset, and it agrees with India that one might need to have "enabling" legislation in this regard. In addition to the points in WT/GC/W/97, Jamaica wishes to briefly mention a few areas that gave it some difficulty, and which it wishes to see dealt with as one went forward.

First, Jamaica secured a waiver not once, but twice, and yet the waiver had nevertheless been challenged and the benefits that we thought we had derived from the WTO had been brought into question. Second, the Dispute Settlement Understanding, that will be reviewed starting in October,

<sup>&</sup>lt;sup>1</sup> Previously circulated in WT/GC/W/97.

but we have seen some interpretations, say on the Agricultural Agreement and its consistency with the GATT 1994 Agreement, and Jamaica believes that those issues should be addressed. Jamaica has seen sectoral negotiations such as the Information Technology Agreement which has now been multilateralized at the end, but has a curious place in the WTO, it has affected the balance of benefits of countries like Jamaica that had negotiated concessions with its partners. Jamaica has difficulties in anti-dumping, in technical standards and phytosanitary measures. It has seen where some regional trade agreements such as those between the ACP and the EU have been brought into question whereas other regional trade agreements have not been addressed and consequently some of the adverse effects of these regional agreements on Jamaica have been allowed to stand. And finally, with respect to agriculture, Jamaica would like to underscore that it is not sufficient to take account of the net food importing developing countries or developing countries after concessions have been exchanged in agriculture, we must now have a single undertaking on agriculture where everything of interest to developing countries and developed countries are negotiated. In the field of services, specifically financial, in the negotiations we had tried to draw attention between prudential supervision and a regulatory framework that would be part of the liberalization measures in the WTO. That did not find favour, and we see the effect of lax prudential supervision. Consequently, Jamaica thinks in any new services negotiations, some of those measures that were not considered important should be taken fully on board. In respect of TRIPS Jamaica believes that it is not sufficient to just seek the implementation and compliance by national legislation, but we should be aware that new avenues are being opened up and so the review of TRIPS must be all-embracing to bring new entrants to share in the benefits of the TRIPS Agreement. Finally, Jamaica wishes to compare the substantive point with accession because it believes that the introduction or the inclusion of new Members in the WTO can only be to the advantage of all of us.

In respect of the organization of work on the schedule of meetings, Jamaica thinks that the timetable indicated, and the arrangements to be made are broadly satisfactory, in fact in its paper in W/97, Jamaica had asked that certain procedures be followed, namely that formal and informal meetings be set very clearly at this meeting, that any informal consultations would be open to all Members, and that there should be sufficient advance notice of date and timing and subject-matter so that all could participate. Background documentation by the Secretariat where possible, or where relevant, should be made available to delegations in good time. Jamaica hopes, that in the work ahead of us these issues will clearly be before us. However, it wishes to support Egypt, in respect of the timetable. Jamaica believes the next formal meeting has been proposed for early February. It would like to propose for a number of reasons which will affect a significant number of countries that that next formal session be in the third week of February. It would also suggest that to take account of the proposal of Australia that we could have an informal meeting late in January, so that emerging from the holiday period we will have a clear understanding of the work ahead.

In closing Jamaica wishes to deal with the scope and the modalities. Because some Members have suggested a new comprehensive round with a single undertaking, and others have said let us not get ahead of ourselves, Jamaica wishes to ask a question. We seem to be embarked on a major review and perhaps negotiation for the reform of the international monetary and financial system. It has been proposed even by some that it be undertaken and completed in a year. The question was whether it is timely for us in the WTO to be undertaking a global comprehensive "round-like" negotiation at the same time when something of such fundamental importance is being undertaken? Or should we continue on a methodical approach using the WTO as a permanent negotiating forum? Jamaica thinks that some of the points made are valid, but it would hope that what is decisive, and what will be decisive, is after we have implemented and we have made the assessment that we will see what remains to be done rather than at the outset saying that what we need is a "big bang" start. With regard to the proposal of standstill, Jamaica believes that the EC has indicated and made a proposal for standstill. If that has any measure of support, it could be contribution of the WTO to the discussions taking place in Washington in the next few days. If the General Council were to undertake a commitment of a political nature that sends messages, it will also have some substance to

it so that any new measures, or new rules that are taken domestically will not be more trade restrictive. Jamaica's view was a standstill so defined could be useful in indicating that the WTO is not only opposed rhetorically to protectionism but that its Members are committed by virtue of a solemn undertaking to maintain a standstill on imposing new trade barriers. But that would not be sufficient. We believe that at the same time we should also make a commitment to advance and proceed more expeditiously on liberalization measures in favour of developing countries.

#### **ANNEX**

# DRAFT ANNOTATED AGENDA FOR FOLLOW-UP TO THE 1998 MINISTERIAL DECLARATION

#### Communication from Jamaica

The following communication received from the delegation of Jamaica is circulated for information of Members.

## Agenda Items

I. Evaluation of the implementation of the multilateral Agreements, Decisions, Declarations and Understandings including their impact on trade, development and financial needs of developing countries and in achieving the objectives in the WTO Agreement.

In carrying out such evaluation attention will be paid not only to the issues relating to the implementation of the Agreements but also to the actions taken at national and multilateral levels in the implementation of the Decisions, Declarations and Understandings adopted at the Marrakesh, Singapore and Geneva Ministerial Conferences.

- (a) Review of the multilateral Agreements with a view to identifying provisions in which further improvements, clarifications or modifications may be necessary.
- (b) Review of the status of consultations and negotiations in subject areas covered by the "built-in agenda" and the Decisions taken at Marrakesh, Singapore and Geneva Ministerial Conferences.<sup>1</sup>

Such a review should cover the following areas:

- (a) Subject areas in which comprehensive and "single undertaking" negotiations are to be launched in accordance with the built-in agenda include:
- (i) launching by 1 January 2000 negotiations covering all services sectors;
- (ii) beginning by the end of 1999 negotiations for liberalization of trade in agriculture.

<sup>&</sup>lt;sup>1</sup>The WTO Secretariat is to update Note listing these with a Remarks column, indicating status of any action taken.

(b) Subject areas in which the work is at present being undertaken in accordance with the Ministerial Decisions.

These include:

- (i) Transparency in government procurement
- (ii) Trade facilitation
- (iii) Trade and environment
- (iv) Trade and investment
- (v) Trade and competition policy
- (vi) Electronic commerce

The decision to commence negotiations on framing additional rules and disciplines and/or commitments will be taken by the General Council.

- (c) Subject areas of special interest (and concern) to developing countries and transition economies. These include:
- (i) strengthening and operationalization of the provisions for differential and more favourable treatment included in the multilateral agreements;
- (ii) assessment by WTO and UNCTAD, at the request of individual countries of both quantitative and qualitative benefits to their trade and economies of:
  - the liberalization measures taken in the multilateral trade negotiations, taking into account the adverse effect on preference receiving countries of the erosion of preferential margins, and
  - the membership of the multilateral agreements taking into account the administrative and other costs of implementing the agreements at national level
- (iii) Implementation of the integrated programme for providing technical assistance to leastdeveloped countries, and steps to prevent their marginalization in world trade.
- (iv) Challenges and opportunities faced by small economies as a result of their macro-economic vulnerability given their openness and reliance on international trade.
- (v) Dangers posed:
  - to the world trading system as a result of the failure by panels and Appellate Body to give due weight to "equity" in their findings and recommendations, and
  - to the inter-relationship between panels, Appellate Body and the policy organs of the WTO *vis-à-vis* the Dispute Settlement Body and the General Council as a result of the tendency on the part of panels and Appellate Body to create inadvertently, new "law" through interpretation of rules.

(vi) Programme of work and time table for the meetings of the General Council.

In order to ensure effective participation in consultations and discussions by all member countries it will be necessary to ensure that:

- the calendar for the informal and formal meetings of the General Council is established at the September meeting;
- the informal consultations arranged by the Chairman are open to all member countries and sufficient advance notice is given of the date and timing and subject-matter of meetings;
- the <u>background documentation</u><sup>2</sup> prepared by the Secretariat is made available to delegations at least one week before the meeting and executive summaries are prepared of documents over ten (10) pages.

<sup>&</sup>lt;sup>2</sup> <u>Background documentation</u>, i.e. factual information of quantitative commitments made by Members, *inter alia*, (schedules for goods and services); summaries of relevant measures implemented; notifications, etc. (The WTO Secretariat is requested to provide Members at their request with such information.)