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## THE WTO AGREEMENT ON AGRICULTURE, IMPACT ON CARICOM, CONCERNS OF CARICOM AND STRATEGIES TO BE ADOPTED IN THE CURRENT WTO NEGOTIATIONS

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### 1. INTRODUCTION

The Uruguay Round (UR) of the GATT was the most comprehensive trade agreement ever concluded. The results expected were more trade, more investment, more jobs and substantial income growth for most countries. Any fallout from the system was to be mitigated by special provisions. The negotiations covered almost every sector of world trade. Participation was global and a large number of developing countries was involved. Among the many achievements of the UR were: the General Agreement on trade in services, trade in intellectual property, textiles and clothing, market access for goods and agriculture.

Another achievement of the Uruguay Round was that it had gone further than any previous negotiation to extend and strengthen the rule of law in international trade, both by bringing

GATT principles to apply in areas where they had been lacking and by strengthening the existing rules and ensuring their application through a more effective dispute settlement system.

Agriculture became the subject to new disciplines designed to establish a fair and market-oriented agricultural trading system. Reduction in subsidies was expected to lead to more sustainable markets for farmers worldwide and further creation of opportunities for WTO member states to reduce excessive burdens borne by taxpayers.

The Agreement on Agriculture is one of 22 Agreements and Declarations signed at Marrakesh on 15<sup>th</sup> April, 1994. It was one of the most difficult agreement to arrive at given the role agriculture plays in member states, the highly protective nature of the commodities addressed, historical antecedents, and the heavy subsidy

programmes in developed countries. The Agreement is concerned essentially with the commitments on domestic support, export subsidies, market access, and matters related thereto.

This paper will address, among other things, the major elements of the Agreement on Agriculture, other WTO Agreements impacting directly and indirectly on the Agreement on Agriculture, the impact on CARICOM trade, some major concerns of CARICOM States, and the strategies to be adopted in formulating a new Agreement on Agriculture in the current round of trade negotiations. Some fundamental issues raised are how effective was implementation of the Agreement over the last 5 years, how prepared is CARICOM for the current negotiations? How prepared are the WTO and the developed countries to accommodate the serious concerns of the developing world?

### 1.1 Background

The negotiation for the Uruguay Round Agreement lasted 7 years, rather than the 4 years anticipated, because of difficulties encountered and, roadblocks created by Member States. Since the inception of GATT in 1947, the rules have not been fully applied to the agricultural sector. For many years some of the larger countries had generally protected their agriculture, which were both costly and inefficient, by a system

of high tariffs, quantitative restriction and/or variable levies on imports. The consequences of these activities were increased domestic production at high prices and when these products were sold internationally, they had to be subsidised. This not only depressed world prices but reduced the market share of competitive, efficient producers.

For perspective, the discussion of the Agriculture Agreement will take place against the backdrop of the objectives of the agreement, the current economic performance of CARICOM and the world economy.

### 1.2 Objectives of the Agreement on Agriculture

Within the broad objectives of the WTO Multilateral Trade Agreements, among the goals of the Agreement on Agriculture are:

- i. to ensure that agriculture remained firmly on the GATT agenda,
- ii. to leverage for a big decrease in subsidies, especially in the industrialised countries, and
- iii. to seek an average of 30% reduction in tariffs over the implementation period 1995-2004.

### *Performance of CARICOM Trade*

It should be underscored that import and export markets of CARICOM States despite their independence, are still

concentrated in the European Union (EU) and USA. In addition, traditional exports (e.g. sugar, banana, rice, cocoa, coffee, etc.) continue to dominate the trade due to trade barriers to new products despite attempts at diversification. The prices of most commodities have been fluctuating but generally are depressed. With regards to processed, high value products, there has been variable growth.

#### *Performance of the World Economy*

The state of the international economy is relatively sound. Economic growth is strengthening and the outlook for the short to medium term is promising. Growth rate for 1999 and 2000 will average 3.7%. It does appear that the rules based systems of the WTO are keeping markets open and where there are slumps, it provides an opportunity to recover.

While the better positioned economies are gaining from world trade, the LDCs (48 countries) hold a share of only ½ of 1% of that trade. These countries need to be better integrated into the world trading systems. They need, among other things, to have better access (e.g. duty free) for LDC products. This will go some distance in addressing inequity and exclusiveness. They also need technical co-operation to build capacity and acquire expertise. This is

also valid for many developing countries. This suggests that 5 years after the UR there is so much yet to be done, and the benefits expected have not materialised.

The WTO and the two Bretton Woods Institutions (IMF and World Bank) need to put their 'coherence mandate' together. With respect to international policy making, it is imperative to ensure that trade, finance and development policies are fully supportive of each institution. It is felt in many quarters that sound domestic policies, transparency and good governance are fundamental to achieve this and to measure progress.

In the current negotiations for a new trade agreement, it is known that Agriculture (by Art.20) and Services are in the built-in agenda. Tariffication of NTBs such as quantitative restrictions is sound because it showed the high levels of protection of many products. These tariffs need to be reduced perhaps to the levels of traded rates rather than 'bound' rates. Other issues that require attention are subsidies and support systems.

In all the vagaries of the market, it should be noted that "trade is not the end; it is a means of progress, a tried and trusted vehicle for advancement, prosperity and a safer, better world for all of us", according to Mike Moore, the Director General of the WTO.

### 1.3 Outline of the Agreement on Agriculture (AoA)

The Agreement on Agriculture comprises (AoA) of 26 pages, 21 Articles and 5 Annexes. The Articles are as follows:

- Art. 1 is concerned with definition of terms.
- Art. 2 is concerned with definition of product coverage.
- Art. 3 is concerned with definition of incorporation of concessions on commitments.
- Art. 4 is concerned with definition of market access.
- Art. 5 is concerned with definition of special safeguard provisions.
- Art. 6 is concerned with definition of domestic support commitments
- Art. 7 is concerned with definition of general disciplines on domestic support.
- Art. 8 is concerned with definition of export competition commitments.
- Art. 9 is concerned with definition of export subsidy commitments.
- Art.10 is concerned with definition of prevention of export subsidy commitments.
- Art.11 is concerned with definition of incorporated products.
- Art.12 is concerned with definition of discipline on export prohibitions and restrictions.
- Art.13 is concerned with definition of due restraints.
- Art.14 is concerned with definition of sanitary and phyto-sanitary measures.
- Art.15 is concerned with definition of special and differential treatment.
- Art 16 is concerned with definition of least developed and net food importing (NFI) developed
- Art.17 is concerned with definition of committee on agriculture.
- Art.18 is concerned with definition of review of the implementation of commitments.
- Art.19 is concerned with definition of consultation and dispute settlement.
- Art.20 is concerned with definition of continuation of the reform process.
- Art.21 is concerned with definition of final provisions.

In addition to the Articles, The Agreement consists of 5 Annexes:

- Annex 1 deals with product coverage.
- Annex 2 - domestic support: The basis For exemption from the reduction, and commitments.
- Annex 3 - domestic support: calculation of aggregate measure of support
- Annex 4 - domestic support: calculation of equivalent measure of support
- Annex 5 - special treatment with respect to para.2 of Art. 4.

#### 1.4 Implementation Period

The implementation period for WTO commitments is: 6 years for developed countries 1995-2000; 10 years for developing countries 1995-2004, and LDCs are not required to undertake reduction commitments. This is indicative of the Special and Differential (S&D) treatment given to developing and least developed countries, a major feature of the Agreement.

## 2. THE AGREEMENT ON AGRICULTURE 1994

Under the Agreement on Agriculture three major commitments of Members will be addressed, viz: market access, domestic support and export competition.

### 2.1 Market Access (*Article 4*)

Market impediments are a fundamental obstacle to world trade. In the UR Agreement, Member States agreed to, *inter alia*:

- i. convert non-tariff barriers (NTBs) into bound duties or equivalents by a process of tariffication in a prescribed manner.
- ii. establish the base period 1986-1988 to determine the 'trigger level' for determining tariff levels.
- iii. reduce tariff, including tariff equivalents as follows:

- for developed countries by 36% over 6 years; and
  - developing countries by 24% over 10 years.
- iv. abstain from introducing new tariff barriers;
  - v. establish special quality and price triggered import safeguards for agricultural products subject to tariffication if imports exceed a percentage of the trigger level, or if import prices fall below the trigger price;
  - vi. exporting countries were given minimum access commitments in products subject to tariffication. In developing countries, minimum access is set at 2% of the trigger consumption level, and this will increase to 4% by 2004. (Art. 5)
  - vii. LDCs are given special dispensation of no reduction.

In terms of tariff commitments, the majority of CARICOM members bound their agricultural tariff rate at 100%. For sensitive commodities such as poultry and vegetables they were set higher e.g. in Trinidad and Tobago 145% for poultry parts.

From a practical standpoint, the maximum applied rate for CARICOM states for primary agriculture is 40%. For processed commodities the applied rate is less than 40%.

There are still a few non-tariff barriers existing for health, security and protection of the sector. In Trinidad and Tobago licences are required for live

poultry, fish, crustacean and molluscs. In other CARICOM states licences are also required for selected items e.g. fruit, vegetable and milk.

Given the liberalised trading environment that exists, contingency measures have been put in place in some countries by the establishment of Anti-Dumping Units and Trade Monitoring Units e.g. Trinidad and Tobago. Most countries still have not enacted anti-dumping legislation.

## 2.2 Domestic Support (*Article 6*)

The Agreement sets new rules and bindings on the level of total domestic support referred to as the Aggregate Measure of Support (AMS). It computes the expenditure of domestic support and the value of the market price support by way of policies provided by the Agreement.

Since 1994, prices of commodities have tended to increase and there have been some adjustments of agricultural policy in several developed countries such as the USA and the EU. Consequently the commitments may not realise any substantial reduction in the level of domestic support.

### *Trade Distorting Policies*

Government policies are regarded as either trade distorting (amber) or non-trade distorting (green). Member States

agreed to reduce trade distorting AMS as follows:

- developed countries by 20% over 6 years.
- developing countries by 13% over 10 years.

Trade distorting policies (Amber) are those which are transferred from consumers or those limited to production of specific commodities. Examples include acreage payment; related subsidized loan programs; marketing loans; payment based on livestock numbers and price support.

### *Non-Trade Distorting Policies* (*Annex 2*)

These are the so-called 'green policies'. These are generally provided through Government funded programs and which normally do not include transfer from consumers or provide real support to producers. These policies include:

- i. General Services: Some of these are:
  - research into environmental programmes and particular products
  - pest and disease control such as early warning systems, quarantine and eradication
  - extension and advisory services
  - training
  - inspection services
  - marketing and promotion services
  - information services.

- ii. Public stockholding for food security purposes
- iii. Domestic food aid
- iv. Direct payments to producers
- v. Decoupled income support i.e. income not limited to production
- vi. Government financial participation in income insurance and income safety net programs
- vii. Payments for relief from natural disasters via crop insurance
- viii. Payments under regional assistance programs
- ix. Structural adjustment programs through retirement of producers, resources, and investment aids (Sections 9-11 of Annex 2).

A concern of CARICOM is that some developed countries are shifting amber box items into 'green box'.

In CARICOM, no state has reduced its domestic support and most countries support is within the *de minimis* level of 10% of agricultural GDP as they historically are unable to finance any substantial incentive programme.

### 2.3 Export Competition (Articles 8-12)

For many years, several exporting countries have used export subsidies as the instrument for sustaining or boosting production of their agriculture. The WTO estimated that approximately US\$22 billion are subject to reduction. It is a requirement of the AoA that Member States are not to extend export subsidies to commodities which were

not subsidised in the base period, 1986-1990. ( Art. 9, para. (6) (iv). For existing subsidies, members agreed to reduce their subsidies as follows:

- For developed countries, their expenditures on export subsidies are to be reduced by 36% over 6 years. In terms of the quantity of subsidised exports these are to be reduced by 21% over the same period.
- For developing countries, their expenditures on export subsidies are to be reduced by 24% and the quantity of subsidised exports by 14% both over the longer period of 10 years.

Article 9 indicates the export commitments of Member States subject to reduction commitments. Examples of these include: the provision of direct subsidies contingent on market performance; subsidised stock where the export prices of these are below prices on the domestic market; subsidies on export marketing costs; transportation subsidies; subsidies on stock, and payments in kind.

CARICOM needs to notify the WTO on its use of export subsidies. No member provides export subsidy. It needs highlighting that the AoA on Agriculture is part of a total multilateral system to regulate, develop and sustain trade, and should not be considered in isolation. Consequently these other Agreements / Ministerial Declarations



will be briefly discussed to demonstrate their inter-relationships.

### 3. OTHER AGREEMENTS/ DECLARATIONS IMPINGING ON THE AGREEMENT ON AGRICULTURE

There are several other Agreements and/or declarations which affect global agricultural production and trade. Additionally, under the AoA, many of the commitments have provisions for special and differential treatment for developing countries and LDCs. For illustrative purposes the following should be noted:

#### 3.1 Special and Differential Treatment (*Article 15*)

- LDCs are not required to undertake reduction commitments (para.2).
- there is flexibility such as longer transitional periods for full implementation of the commitments.
- there is provision of technical assistance to LDCs.
- special provisions to ensure exporters in LDC's have more favourable treatments in the application of Non-Tariff Barriers.

#### 3.2 Least Developed and Net Food Importing Countries (*Article 16*)

In the pre-amble to the Agreement on Agriculture as well as Ministerial

Decisions (p.385) on measures in favour of LDCs, special provisions are made for LDCs and Net Food Importing countries with respect to availability of adequate basic imported food supplies. Developed Member States have agreed by Declaration to continue the provision of several measures including food aid and basic foodstuff as grants; technical assistance and aid for agricultural development; and assistance from the IMF and World Bank on short term financing of commercial food imports.

#### 3.3 Special Safeguard Measures (SSG) (*Article 5*)

These measures can be increased where no specific measures are made under the AoA. The operation of special safeguard shall be carried out in a transparent manner (para. 8). Further, the provisions of this article shall remain in force for the duration of the reform process.

#### 3.4 Safeguards Regarding Balance of Payments (BOP)

In the "*Understanding of the Balance of Payment Provisions of the GATT 1994*" (p.29), provision is made for import restrictions given the foreign exchange situation. However, it is recommended that such measures taken be price-based measures such as import surcharges, import deposit requirement or other equivalent trade measures. These measures may be applied by Members

“in excess of the duties inscribed in The Schedule of Members.”

There is the understanding that these restrictive measures will be announced publicly and that time schedules for the removal of restrictive measures will be given.

Member States agreed to avoid the imposition of new quantitative restrictions for balance of payment purposes unless the price based measures are inadequate to arrest the BOP (para.3 of Understanding).

### 3.5 Application of Anti Dumping Duties

Based on the Agreement on Implementation of Article VI of GATT 1994 (p.145) measures can be instituted against specific imports if they are 'dumped'. Article V provides, *inter alia*, the parameters for assessing what is a dump product; determining of injury caused by a dumped product, procedures for conducting dumping surveillance and implementation and duration of anti-dumping measures.

### 3.6 Imposition of Countervailing Duties

Under the Agreement on Subsidies and Countervailing Measures (p.229), it is permissible for Member States to apply countervailing duties where imports benefit from export subsidy. While most subsidies may be protected if they were

included in the Schedules of Member States, there are several cases where countervailing duties are imposed. This has caused governments to enter into dialogue to deal with the issue. For the Seattle Meeting in December 1999 another issue that developing countries raised was the need for tighter restrictions on the use of anti-dumping measures.

### 3.7 Use of Emergency Safeguards

According to the Agreement on Safeguards (p.273) provisions are made for the utilisation of emergency safeguards where increasing quantities of imports cause or threaten serious injury to a domestic industry. This is an attempt to reinforce Art. XIX of GATT 1994 which deals with 'Emergency Action on Imports of Particular Products'.

### 3.8 Notification to WTO

Member States are obligated to notify the WTO on the status of all measures covered by the Multilateral Trade Agreements. On the basis of the Ministerial Decision on Notification Procedures (p.389) notification is mandatory. The objective is to ensure greater transparency of Members' trade policies and the effectiveness of surveillance arrangements. In the Annex to the Decision on Notification Procedures (p.391), an 'Indicative List

of Notifiable Measures' is given. These include tariffs; tariff quota and surcharges; quantitative restrictions, custom valuation, rules of origin, technical barriers, export subsidies, free trade zones, role of state trading enterprises and foreign exchange controls.

### 3.9 Agreement on Sanitary and Phyto-Sanitary Measures (SPS)

Essentially this agreement concerns the application of Sanitary and Phyto-sanitary Measures with respect to food safety and animal and plant regulations. While it is recognised that Member States have the right to take appropriate measures to protect health and safety, it is mandated that these are not arbitrary or unjustifiable between or among members.

It is the view of many countries that while tariff barriers are being reduced a fundamental deterrent to trade in agriculture is NTBs such as the SPS. Consequently, it is further required that members should use international standards, guidelines and recommendations to minimise disputes. The Agreement also permits Members to maintain or introduce measures which result in higher standards if there is scientific justification or as a result of regular risk decisions based on relevant risk assessment.

In order to facilitate trade, it is advisable that countries accept the SPS

measures of other states as equivalent if the exporting country demonstrates to the importing country that its measures satisfy the importing country's required level of health protection.

To lend support to the foregoing, SPS must be transparent including publication of regulations, the establishment of national enquiry points and notification procedures. Appropriate legislation, laboratory facilities, trained human resources and the setting, implementation and the sustaining of quality standards must be stringently applied.

From an operational perspective, CARICOM States require drastic changes to SPS legislation to be compatible with the WTO. In addition, few countries apparently have notified the WTO on their SPS measures.

### 3.10 Technical Barriers to Trade (TBT)

This Agreement complements the SPS. It seeks to ensure that technical standards, testing and certification do not hamper trade. It recognises the right of countries to establish protection at appropriate levels for human, animal, or plant life or health or the environment. Accordingly, states should not be restricted from using measures critical to provide the necessary protection levels. The Agreement, among other things, encourages countries to use international standards where appropriate, provides

for notification and includes in an Annex, a Code of Good Practice for the preparation, adoption and application of standards by standardising bodies.

### 3.11 Agreement on Trade Related Aspects of Intellectual Property Rights Including Trade in Counterfeit Goods (TRIPS)

The TRIPS Agreement is far reaching. It covers among other things manufacturing, copyrights and patents according to the 1971 Berne and 1967 Paris Conventions. With respect to geographical indications, the Agreement stipulates that all parties must provide means to prevent the use of any indication which misleads the consumer regarding the origin of the goods, and any act which misleads would constitute an act of unfair competition. A higher level of protection is provided for geographical indication for wines and spirits.

In addition, the Agreement requires that 20-year patent protection be available for all inventions of products or process in most fields of technology. With respect to agriculture, plant varieties must be protected either by patents or by a *sui generis* system such as a breeder's rights provided in a UPOV Convention, (International Union for the Protection of New Plant Varieties)

Trade secrets and know-how which have commercial value must be

protected. Data submitted to governments in order to get marketing approval for pharmaceuticals or agricultural chemicals must be protected against unfair commercial use.

Part III of this Agreement indicates the obligations of Member States to provide procedures and remedies under their domestic laws to ensure that Intellectual Property Rights (IPRs) can be effectively enforced by both foreign rightholders and nationals.

There is special dispensation for different countries in implementation of the Agreement:

- Developed countries have one year transition to bring their legislation and practices in conformity;
- Developing countries and countries in transition from centrally-planned economy into a market economy have five years; and
- Least developed countries have eleven years.

Developing countries in the Region need to update their laws or enact legislation to give effect to these provisions. Most countries in CARICOM have not moved very far. Some countries in the CARICOM are only at the drafting stage at best. With the exception of Trinidad and Tobago, several have not even joined the World Intellectual Property Organisation. Many developing countries have argued that 5 years for implementation is not enough for such radical changes and

have proposed that this transition be extended.

#### 4. CONCERNS OF CARICOM MEMBERS: PROBLEMS WITH IMPLEMENTATION

After five years of implementation of the Agreement on Agriculture several issues have arisen which needed consideration. Member States are still experiencing difficulties with their implementation. It is claimed that developing countries lack the financial and human resources to fulfil their commitments such as the complex requirements of the TRIPS Agreement. It is further claimed that developed countries have failed to implement the Agreements in a way that will benefit developing countries. Some of these are:

##### 4.1 Market Access Commitments

- i. The existence of high tariffs (or tariff peaks) on vegetables, processed fruits, pineapples, oranges etc. in the markets of developed countries. Tariff peaks need elimination in non-preferential markets.
- ii. Rising tariff rate with increased processing of product (i.e. tariff escalation) which discourages higher valued export products. This stymies developing countries from diversifying out of primary production.

- iii. Tariff Rate Quotas (TRQs) should be expanded as well and properly monitored. TRQs also reduce access to markets. There is also a view that expansion of the TRQ may not be in the best interest of CARICOM and this position needs rationalising quickly.

##### 4.2 Domestic Support

There are reports that the developed countries have included other items than those prescribed in the Agreement into the 'green box' to conceal domestic support measures. CARICOM should negotiate to tighten the green box measures.

With respect to Special and Differential Treatment for developing countries and LDCs, this facility should be retained. It relates to length of time, level of reduction, flexibility, exceptions in the case of LDCs and provisions of technical assistance. More flexible terms should be set e.g. longer transition periods and smaller commitments. Some of the clauses are too broad. Even where the broad terms state that developed countries should help developing countries with such things as technology transfer under intellectual property protection, the specific action has not been spelt out.

CARICOM should argue for the curtailment or dismantling of the 'blue box' measures of developed countries because of the inequity in the system

and the arrangement and it frustrates the levelling of the playing field.

#### 4.3 Export Subsidies

There is need to fully assess the impact of the reduction of export subsidies on agriculture. Quantitative analyses and empirical studies are required.

There is the view of some members that elimination/reduction of export subsidies could have the greatest positive impact on the sugar industry of CARICOM.

For the Seattle Meeting, developing countries had argued for greater flexibility to subsidise agriculture, and tighter restrictions in the use of subsidies by developed countries

Some countries reportedly are using other measures such as export credits and export guarantees to circumvent the WTO restrictions on export subsidy.

The position in the FTAA is that this should be eliminated when that agreement comes into effect in 2005.

#### 4.4 SPS Agreement

There are serious difficulties in interpreting the Agreement, hence the problems of implementation. There are also constraints in technology, human resources availability, funding and legislation. This Agreement like the TBT Agreement states that members have to take into account the special needs of developing countries when they

prepare their regulations. However developing countries claim they are excluded from the setting of international standards and are often expected to comply with standards that go beyond their technical ability or financial capacity.

With respect to Hazard Analysis at Critical Control Points (HACCP) and the EU standards, these need careful examination.

In order to facilitate trade, time limits need to be placed on markets which require SPS clearance.

#### 4.5 Some Other Issues in the WTO Negotiations

Some of the other issues in the negotiations which can be placed on the agenda include:

- (a) Genetically Modified Organisms (GMOs): More information is required on this as there is perceived risk-relating to health and food safety. There is need for further work in this area. Some hold the view that GMOs should be specifically labelled as such, whereas others hold a contrary view.
- (b) With regards to Intellectual Property Rights, CARICOM needs to play a proactive role to safeguard specific products to maintain competitive advantage.
- (c) Non-Trade Concerns: The concept of multi-functionality is being used by developed countries to widen

support for their agricultural sectors. Developing countries should take note of this development and monitor it to ensure it is not abused.

- (d) The creation of working groups to look at implementation issues.

#### 5. SUGGESTIONS/RECOMMENDATIONS FOR THE WTO MILLENIUM NEGOTIATIONS

In order to enhance its negotiating position, CARICOM should consider doing several things such as:

- i. Strengthening the regional negotiating machinery for which the views of all Member States should be solicited. Each state should have a focal point and appropriate officials assigned, wherever this has not been already done. Key Ministries' activities should be co-ordinated e.g. Ministries of Trade, Foreign Affairs, Agriculture etc. An expert from IICA (Dr. Patrick Antoine) has been seconded to the RNM to co-ordinate the agricultural trade negotiations at the CARICOM level. This is a step in the right direction.
- ii. CARICOM missions in Geneva (especially of T&T and Jamaica which have a presence) should be strengthened both before and during the course of the negotiations.
- iii. Conducting appropriate studies to assist the negotiations. Position papers on each issue should be prepared, discussed and agreed to.
- iv. Network with other member countries or groups, both developed and developing, to galvanise support on either all items or on specific items where there is a commonality of interest.
- v. Adequate funding is required for trade negotiations. This is a *sine qua-non*.
- vi. Address the issue of quota-underfill. Many developing countries can benefit from this. Monitoring and other administrative mechanisms need to be put in place.
- vii. Inputs from all stakeholders from the private sector, required on an on-going basis to complement Government's efforts. Trinidad and Tobago already has a mechanism for soliciting the views of its stakeholders. This can serve as a model for some of the CARICOM States.
- viii. Need for technical assistance to implement the Multilateral Trade Agreements such as Agreements on Agriculture, and Sanitary and Phyto-sanitary Measures. There is need to catalogue all cases where non-science based actions are applied contrary to the SPS and TBT Agreements. A positive sign after the Seattle fiasco was the convening in July 2000 of the 6 major UN bodies dealing with technical assistance viz., WTO, IMF, World Bank, UNCTAD, UNDP and ITC.

- ix. There should be time limits to gain markets requiring SPS clearance.
- x. CARICOM countries, by virtue of its membership in the WTO, should participate actively in the negotiations to protect and enhance their interests.
- xi. There is the opportunity to enhance Special and Differential Treatment for Developing Countries. Specific areas need identification. Vigilance is required to maintain them because the playing field is not level.
- xii. There is the opportunity to simplify anti-dumping and countervailing rules.
- xiii. In the area of Intellectual Property Rights, the agenda of CARICOM needs advancing in such fields as patents, and trade marks as a means of safeguarding the competitive advantage of specific products e.g. plant varieties.
- xiv. There is need to maintain adequate trade and marketing data bases to provide support for studies and negotiations.
- xv. New generation instruments for agricultural support such as export insurance and export credits should be studied and carefully monitored.

## 6. CONCLUSIONS

It appears that countries in the region which have liberalised the most have benefited correspondingly from the trade liberalisation measures.

In terms of implementation of the WTO Agreement there are shortfalls due to tardiness, lack of will to implement, lack of adequate resources, inadequate planning, and inadequate knowledge of what should be done.

In order to conduct trade negotiations successfully substantial dedicated resources are required. It is critical that the region develops alliances if it is to make any meaningful impact in the WTO negotiations. All efforts need to be properly co-ordinated for the greatest impact. It appears with current negotiations CARICOM is only slightly better prepared for the Uruguay Round

This needs changing fundamentally if the region is to play on the world stage and enjoy commensurate benefits. The challenges are great. However, given the political will and appropriate allocation of resources, the CARICOM region can influence the current WTO negotiations in a manner that will serve its interest in terms of agricultural development and trade.

Since the Seattle debacle in trade talks, there is some evidence that developed countries and the WTO are more prepared to consider some of the concerns of developing countries – but the pressure must be sustained.



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**LIST OF ACRONYMS**

AMS - Aggregate Measure of Support  
BOP - Balance of Payments

CARICOM - Caribbean Community  
CBOs - Community Based Organizations  
CET - Common External Tariff  
FAO - Food and Agriculture Organization  
FTAA - Free Trade Area of the Americas  
GATT - General Agreement of Tariffs and Trade  
GMOs - Genetically Modified Organisms  
HACCP - Hazard Analysis at Critical Control Points  
IMF - International Monetary Fund  
IPRs - Intellectual Property Rights  
ITC - International Trade Centre  
LDCs - Least Developed Countries  
NFIs - Net Food Importing Countries  
NGOs - Non Governmental Organizations.  
NTBs - Non-Tariff Barriers  
RNM - Regional Negotiating Machinery  
S&D - Special and Differential Treatment  
SPS - Sanitary & Phytosanitary Measures  
SSG - Special Safeguard Measure  
TBT - Technical Barriers to Trade  
TRIPS - Trade Related Aspects of Intellectual Property Rights.  
TRQs -Tariff Rate Quotas.  
UNCTAD - United Nations Conference on Trade and Development.  
UNDP - United Nations Development Programme.  
UPOV - International Union for the Protection of New Plant Varieties  
UR - Uruguay Round.  
WTO - World Trade Organization.