

Statement by the Philippines  
(COA Formal Special Session)  
(18 July 2003)

The positions taken, and proposals forwarded, by the Philippines are well-known, and we do not intend to repeat them here. Our statement will be general but more focused, as will be apparent in the "Statement and Declaration" that we shall shortly present.

The Philippines is pleased and honoured to share its voice with 15 other Members that constitute the Alliance for SP and SSM: Cuba, Dominican Republic, Honduras, India, Indonesia, Kenya, Mauritius, Nigeria, Pakistan, Panama, Peru, Turkey, Uganda, Venezuela, and Zimbabwe. We likewise acknowledge and thank the delegation of Indonesia for providing coordinative leadership in this Alliance.

As is apparent from this list, the Alliance binds countries well-spread across the continents. They range from the very small to the very big. Altogether they account for the bulk of the world's resource-poor farmers.

(Please refer to attached "Statement and Declaration".)

On behalf of our delegations, the hundreds of millions of farmers and the billion people from across the globe that we represent, we thank you.

## Statement and Declaration by the Alliance for SP and SSM<sup>1</sup>

Throughout these negotiations, developing countries have singularly and consistently dedicated themselves to addressing the gross imbalances of the subsisting Agreement. Our agriculture sectors, more particularly their abilities to support our basic legitimate development goals such as food and livelihood security, rural development and the full and unhampered expression of our competitiveness, have been unduly prejudiced by the unfairness of this Agreement.

Beyond the gross handicaps that have effectively prevented us from even the minimal exploitation of our just benefits under the multilateral trading system, our domestic markets have been deluged by the foreign competition that are heavily supported by trade distorting export competition and domestic support measures. Even as we have been exhorted to exercise due restraint, the Agreement has effectively legitimized these trade distorting measures to the extreme prejudice of our trade and developmental interests in markets domestic and international. What we got were S&D provisions that were unequivocal only in the element that even spelled the diminution of our only available instrument of defence and protection: tariffs.

Rural and agricultural populations typically dominate our societies and economies. The impact of the gross unfairness of the existing international trading environment is the persisting undue extreme stress on our agricultural systems and economies. We each have our own limited areas of competitiveness and yet trade distortions, not to mention other barriers, have either prevented us from the exploitation of market access benefits or altogether shut us out of the competition. More disturbing is that even in our own markets our own producers are in increasing distress, significant proportions are destitute. Progressive government development programmes have been effectively frustrated and negated and the precious but scarce resources they entail utterly wasted away.

Unbridled trade liberalization that has singularly and mistakenly focused only on tariffs elimination and blind to the other equally important elements and pillars, not to mention our development needs, has no human face and is fast dismantling, rather than helping us build, our launching pads to economic and social development – the true intent of the multilateral trading system. Such liberalization contradicts the Doha Mandate.

As in the current Agreement, balance, fairness and equity seem to be remote objectives in these negotiations. But in faithfulness to the Doha Declaration and its developmental mandate, the Chair's draft provides developing countries with two key elements in SPs and SSM that can at least provide us with some flexibility and shield to enable us to undertake our own further internal adjustments while the adverse environment of trade distortions and inaccessible export markets persist.

We hereby declare that no agreement in the modalities of the agriculture negotiations can ever be viable without these two elements together as a package in the market access pillar. Further, that any such agreement, to be viable, must first and foremost specify SP and SSM modalities that no less than fully address, in the exact words of the Chair and the Doha Declaration, " ... special and differential treatment for developing countries (shall be an integral part of all elements) ... so as to be operationally effective and to enable developing countries to effectively take account of their development needs, including food security and rural development."

We do not believe that rural livelihood and food security concerns can be negotiated in exchange for market access. These are vital public concerns and are therefore non-negotiable. Yet the provisions which developing countries are asking for in order to address these serious issues have

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<sup>1</sup> This Alliance Statement and Declaration is supported by Cuba, Dominican Republic, Honduras, India, Indonesia, Kenya, Mauritius, Nigeria, Pakistan, Panama, Peru, Philippines, Turkey, Uganda, Venezuela, and Zimbabwe.

not been favoured with meaningful engagement by key parties in these negotiations. We believe that trade-offs are unacceptable given the lack of reform in domestic support.

On SPs, we maintain that there is no viable and operationally effective, and therefore acceptable, modality other than self-determination and self-declaration. We maintain that what needs to be negotiated is the number of domestically produced products, important to food and livelihood security and rural development, with due consideration of the specific situations of developing country Members. As this provision directly relates to our internal policy instruments that address adjustments to persisting conditions in the international trading environment, we maintain it but proper that measures arising from this S&D flexibility and where they should be applied be the autonomous internal decision of each developing country.

Further, we view the SP provision, far from being a regressive element as alleged, as an important, if partial, balancing element for developing countries in the market access pillar.

The other partial, but equally important, balancing element is the SSM. We maintain that the SSM, which must be an improvement over the existing SSG, is an essential and necessary measure that addresses the particular susceptibility of developing country markets to import surge disturbances. Developing country markets are susceptible not only to disturbances that are seminal from the highly distorted trading environment, but other factors as well, owing to lower levels of development and transmission efficiencies.

Developed countries, with their vast array of measures from the various coloured boxes, can adequately deal with such episodes of market perturbations, if and when they occur. Thus, we maintain that the SSM be an S&D provision, exclusive recourse being available to developing countries.

We have been told in various occasions and ways that developing countries, by maintaining this position on the SP + SSM package, would need to 'pay the price'. We maintain that that 'price', which we have then deemed as 'investments' in the global reform process, had been paid well in advance, through our commitments under the current Agreement. We have taken the hard and painful policy decisions much earlier. It is only now that some of the major developed country parties to these negotiations are beginning to undertake their own glacial process of resolving policy reform issues. We maintain that these recent decisions can never compare in difficulty with those that we have made as early as a decade ago. We have weighed them and found them wanting when ranged against what we have already undertaken.

Given the political difficulties of some of the major developed country Members, we have not even come to 'collect' on our earlier 'investments' or 'pre-payments'. We have come to demand for a judicious stay in, and a viable defence against, any further onslaught on our unduly endangered strategic agricultural sectors that spell the very survival of our rural economies, the peace and development of our societies.

We exhort all Members, particularly the developed countries, to help each other deliver this outcome through meaningful engagement and dialogue to flesh out the appropriate viable modalities in these elements. We are ready, as we have been through these years, to engage all Members in arriving at a reasonable consensus on these particular developmental aspects of the Doha Development Agenda within the few remaining weeks to Cancún.

We also express our thanks to the Chair for the uncommon wisdom, under most difficult circumstances, in proposing these two important elements. We unanimously declare our full support for the Chair's efforts in fleshing out the necessary integration of meaningful S&D provisions in all the relevant elements and pillars of these negotiations so as to ensure the viability of rural areas in all countries, including countries with disadvantaged and vulnerable agricultural systems.

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