

NAMA 11 STATEMENT
- On Par. 24 and Its Reclaiming of the Doha Development Agenda

NAMA NEGOTIATING GROUP ON MARKET ACCESS

Chair's Open-ended Consultation
Room D, 1 MARCH 2006, 1800hrs

Mr Chairman, it is my humble view that paragraph 24 should be celebrated as a moment of inspiration by Ministers in Hong Kong. In spite of the complexity of the issues and their arduous work schedule, Ministers were able to reflect in this paragraph the real purpose of the Round, and potentially creating new momentum in the DDA negotiations.

Mr Chairman,

It is my privilege this afternoon to provide you with the perspective of the NAMA 11 Group of developing countries on paragraph 24 of the Hong Kong Ministerial Declaration. For the purposes of this consultation the NAMA 11 wishes to highlight three distinct but integrated elements of paragraph 24 of the Hong Kong Declaration.

1. Firstly, in the first sentence of paragraph 24 Ministers stated that “we recognize that it is important to advance the development objectives of this Round through enhanced Market Access for developing countries in both agriculture and NAMA”. Through this sentence they thus reasserted the centrality of the development objectives of this Round, namely enhanced market access for developing countries. Ministers thus reaffirmed the commitment they made in paragraph 2 of the Doha Development Agenda to “place the needs and interest of developing countries at the heart of the work programme”. In their wisdom, Ministers recognized in Hong Kong that promoting the development of developing countries through enhanced market access is an essential impetus to sustained global growth from which all can benefit. Thus the strategic goal for these negotiations must be for industrial countries to reduce the protection they grant to their inefficient sectors that frustrate the growth potential of the developing countries. The modalities in NAMA must thus ensure that the existing tariff peaks, tariff escalation and high tariffs in developed countries are eliminated.

2. Secondly, Ministers have spoken very clearly on the relationship between the level of ambition in NAMA and agriculture. They have instructed us to ensure that there is a comparably high level of ambition in market access in both agriculture and NAMA. Thus, if this injunction of Ministers is to be faithfully followed, we will need to ensure that real opportunities are created for developing countries. The level of ambition in NAMA and Agriculture must be commensurate. The Ministers in paragraph 24 require that in comparing the level of ambition between Agriculture and NAMA, developing countries would evaluate the ‘enhanced market access’ that has been achieved in both.

3. Finally and thirdly, paragraph 24 goes on to state that this ambition “is to be achieved in a balanced and proportionate manner consistent with the principle of special

and differential treatment”. Thus Ministers in their wisdom were reconfirming the need to ensure that the different levels of development and differences of the structure of the economies of developed and developing countries were considered in setting the level of market access commitments of developing countries in NAMA and agriculture.

For the negotiations in NAMA, this means that the balance within the NAMA negotiations must take into account the different levels of development and capacity to adjust between developed and developing countries. It is for this reason that the DDA provided for the principles of special and differential treatment and less than full reciprocity (LTFR) to be applied in the modalities for NAMA.

In July 2004, paragraph 8 of the WTO Framework Agreement decided by the General Council, granted flexibilities for developing countries and this flexibility provided by paragraph 8 of the July Framework Agreement was reaffirmed by Ministers in paragraph 15 of the Hong Kong Ministerial Declaration. Members of the NAMA 11 have submitted a paper to the WTO TN/MA/W/65 which captures our views on this issue.

Separate and apart from the paragraph 8 flexibilities affirmed in paragraph 15 of the Hong Kong Declaration, the Ministers in Hong Kong through the third sentence of paragraph 24 also called for the level of commitments undertaken by developing countries to be balanced and proportionate consistent with SnD. It was their intention to ensure that the commitments undertaken by developing countries in market access were a measurable proportion of the commitments of developed countries. We therefore need to ensure that within the NAMA negotiations, the percentage reduction in the formula for developing countries should be a proportion of that provided for developed countries.

Mr. Chairman, fulfilling these three mandates of paragraph 24 would give real meaning to the development content of the Doha Round. The NAMA 11 is committed to work for a genuine development outcome of the Round that is fair and balanced and that would create new opportunities for all members, developed and developing, to grow their economies and foster their development.

Thank you.