

The III Joint Meeting of the Special Committee for the protection and Conservation of the Environment and the Caribbean Sea, and the Special Committee on Natural Resources of the Association of Caribbean States (ACS) was held on June 24-25, 1999 in Georgetown, Guyana at the Ocean View Convention Centre. The mandates of these Special Committees cover the strengthening of relevant national and regional institutions; the evolution of an environmental strategy; and the optimising of the sustainable use of natural resources particularly in the marine, forestry and energy sectors. Guyana presently serves as Rapporteur to these Special Committees.

The Joint Meeting was preceded by a Meeting of Senior Experts on June 22-23 which focussed on the Caricom proposal for the international recognition of the Caribbean Sea as a Special Area within the context of sustainable development.

The Agenda of the Third Joint Meeting included the examination of the Work Programmes and other issues emanating from the Fourth ACS Ministerial Council which was held in Barbados in

December 1998.

Discussions also took place on a Caribbean Environmental Strategy and its implementation mechanism; advancements and perspectives for the UN Global Conference on the Sustainable Development of Small Island Developing States; the movement of vessels carrying hazardous waste and Radioactive materials through the Caribbean Sea; and on the proposal to be presented by the Working Group of Experts on the Caricom initiative to declare the Caribbean Sea a Special zone within the context of sustainable development.

The Agreement establishing the Association of Caribbean States was signed in Cartagena, Colombia on July 29, 1994. The ACS is comprised of Antigua and Barbuda; the Bahamas; Barbados; Belize; Colombia; Costa Rica; Cuba; Dominica; Dominican Republic; El Salvador; Grenada; Guatemala; Guyana; Haiti; Honduras; Jamaica; St. Lucia; St. Vincent and the Grenadines; Suriname; Trinidad and Tobago; Mexico; Venezuela; and France (on behalf of the French Department in the region). ■

PRESIDENT JAGAN URGES EUROPEAN UNION AND LATIN AMERICA AND THE CARIBBEAN TO WORK TOGETHER

Following is the full text of the Statement made by Her Excellency, President Janet Jagan, O.E. on Trade Negotiation and Liberalisation – Multilateral (WTO) and Bilateral, at the EU-LAC Summit held in Brazil on June 28, 1999.

Mr. Chairman,

I welcome the opportunity to address you on the very topical and Engaging issues of trade negotiations and liberalisation. This is in the context of the rapidly globalising and increasingly inter-dependent world economy.

All Latin American and Caribbean countries have significantly liberalised their economies, in particular, the trade, payments and investment regimes in the last 15 years. We have become much more active in the world economy and in the institutions, which underpin it. For example:

- Latin American and Caribbean countries participated actively in the long Uruguay Round and Global Trade Negotiations launched in neighbouring Uruguay in 1986;
- 32 Latin American and Caribbean countries are members of the World Trade Organisation (WTO) today compared with 15 in the GATT in 1985;
- the weighted average tariff of Latin America and the Caribbean countries is now about 13.8 per cent;
- quantitative restrictions which were a major plank of trade strat-

- egypt in 1985 are now exceptions to attain particular objectives;
- Latin America and Caribbean countries have been involved in negotiating or in re-energising a range of bilateral, sub-regional and even hemispheric trade agreements.

Mr. Chairman, these acts have been part of a strategy to fast-track our development, improve the livelihood of our people and anchor the movement to democracy and open economies which has swept across our hemispheric and other parts of the developing world.

It is vital, indeed critical, that the international system functions well and therefore, be strengthened.

We in the Caribbean have already had one painful experience from the system. The manner in which the question of our banana exports to the European Union has been treated by the WTO has left us with some concern. There is much that needs to be done and we remain hopeful that the spirit of this Summit will contribute to finding a lasting and mutually satisfactory solution to a matter which spells life or death for some of our small Caricom societies,

The risks of a weak system are high and could seriously underline the economic restructuring process in many of our countries. We have witnessed over the last several years:

- high volatility, particularly in the liberalised financial market;
- continued decline in the commodity terms of trade with the



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prices of some of our major commodities reaching record lows. This is a major transfer of resources from our countries to the more developed and highly industrialised countries;

- continued tight access for some of our major agricultural and textile products in markets of developed countries;
- strong competition from developed countries for our trained and highly skilled manpower coexistent with reduced access for lower and unskilled labour;
- continued high debt and debt servicing burdens on many developing countries; and
- significant reduction in the resources available to international institutions or in bilateral programmes to assist and facilitate development.

Mr. Chairman, the European Union and Latin America and the Caribbean have an ideal opportunity to work together to strengthen the international trading system and consolidate the gains of open markets and internationally liberalised trade. In November, on the eve of the new millennium, Latin America and the Caribbean will join Europe and the rest of the international trading community in Seattle, United States, to launch a new round of global trade negotiations under the World Trade Organisation (WTO).

We believe the next round of negotiations in the WTO should, as a matter of priority and with the effective integration of the interna-

tional trading community in mind, focus on growth, equity and development. This should be our single charge to our Trade Ministers and our Trade Negotiators who should undertake the following, among other things:

- First, an assessment of the Uruguay Round, we need to address the problems of implementation and capacity for assuming new obligations;
- Second, prioritising new areas which will build capacity, stimulate production and encourage the export trade of the developing countries, in particular the economically weaker and smaller ones;
- Third, concentrate on measure to build co-operation and partnership in the construction of the new global trade edifice; and
- Fourth, take into account the special needs of the smaller and more dynamic economies.

Mr. Chairman, the European Union has had a very successful experience in liberalising trade and balancing the concerns for equity and development among a group of countries. I am convinced that the framework of inter-regional co-operation we are forging here today provides a good basis for a real partnership in this pursuit of increased trade, better functioning markets and improved living conditions for our peoples. ■

PRESIDENT JAGAN CALLS FOR SPECIAL MEASURES FOR CARIBBEAN RUM

President Janet Jagan has urged the European Union to agree on special transitional measures by the end of 1999 for the continued entry of Caribbean rum into the European Union market.

The President, on May 18 last, wrote to her counterparts in Britain, France, Germany and Spain explaining the urgent and special situation with respect to rum and the specific proposals which are being tabled by the ACP Group.

From the beginning of the Lome Convention over 20 years ago, the European Community established a quota system for rum exports to the EU which prevented ACP rum producers from building brands on the Community market, and which in effect relegated the rum producing countries as suppliers of low value commodity rum.

ACP member states had called for a transitional period during which it was intended that the countries would be elevated from producers of low-value commodity bulk rum to higher value-added branded products.

In early 1996 quotas on light rum were removed but a joint decision later that year by the EU and the US to liberalise their rum markets between 2000 and 2003 has made it impossible for ACP rum producers to develop their branded business in the few short years that remained in life of the Lome IV Convention. In effect the ACP rum industry is faced with the

virtual elimination of their bulk rum business unless EU Member States can agree to new mechanisms and an integrated package of measures.

President Jagan called on her European Counterparts to ensure that ACP rum producers, especially those in the Caribbean whose economies depend heavily on the industry, benefit from special transitional measures in whatever successor arrangement to Lome IV is concluded.

In her letter the President noted that Rum is a key industry in the ACP Caribbean, and is the fourth largest non-service sector earner of foreign currency for the region after sugar, bauxite/alumina and bananas.

The Guyanese leader noted that if the industry is to survive and maintain a place as a traditional supplier to the EU market it would need the practical support and a clear understanding of future arrangements not later than the end of 1999. The economic uncertainty that now faces the Caribbean region over the future of its banana industry will be further heightened if swift action is not taken to safeguard the region's rum industry, President Jagan stated.

The ACP proposal on Rum has been developed by the West Indies Rum and Spirits Producers Association (WIRSPA). ■



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