

NAMA 11 Statement – Trade Negotiating Committee

1 May 2006

Chairperson,

Thank you for this opportunity to address the TNC on behalf of the NAMA 11. The NAMA 11 is a new group consolidated in its current form at the Hong Kong Ministerial Conference. Our group represents together a sizable proportion of the world's population and in particular of industrial workers in the developing world.

Chairperson, the NAMA 11 is committed to working constructively and creatively with the rest of the Membership to reach agreement on modalities in agriculture and NAMA by the new implicit deadline of June/July. We will work in the spirit of the DG's call to find an appropriate landing zone on the triangle of issues that gives effect to the developmental mandate agreed at Doha. As a group focussing on NAMA we will in particular devote our energies to seeking an appropriate developmental outcome on this issue.

In searching for an appropriate landing zone on NAMA, we will be guided by the principles outlined in papers previously submitted on flexibilities (TN/MAW/65), "Reclaiming Development" (WT/COMTD/W/145) and recently further elaborated in TN/MAW/68.

First, we will need to carefully assess the impact of various proposals for formula cuts, coefficients and flexibilities on our own industrial sectors. We must bear in mind that the members of our group all have vulnerable industrial sectors that nevertheless have potential to contribute to growth, development and industrialisation and also provide employment to significant numbers of people who would otherwise be consigned to unemployment.

We believe it is important to establish certainty about the impact on tariff cuts of particular formula and coefficient proposals. In other words, once the numbers have been run, and modalities have been

agreed on this basis, the same methodology should apply in all future processes such as scheduling. The statistical basis and methodology should remain unchanged.

As we proceed to full modalities, our group will be guided by paragraph 24 of the Hong Kong Ministerial Declaration which mandated that there must be a "comparably high level of ambition in market access for Agriculture and NAMA". Our position, elaborated in the papers already referred to is that because agriculture is the most distorted sector and because it is crucial to most developing countries' efforts to promote development and industrialisation, the biggest adjustments must take place in the agricultural sectors of developed countries. In addition, the principles of less than full reciprocity and special and differential treatment mean that developed countries must bear a proportionately larger burden of adjustment than developing countries.

In making any offers or commitments on NAMA, we will be weighing these against the value to our economies of proposals both in agriculture and the reduction of tariff peaks and escalations on industrial products of export interest to developing countries in developed country markets. In regard to the first aspect, our benchmark will be the G20 proposals on agriculture. We will judge all offers by the degree to which they deliver on the proposals, and will tailor our own offers on NAMA accordingly.

We can already say on the basis of these principles that some ultra-ambitious proposals for formulae and coefficients for developing countries on NAMA would require corresponding proposals on agricultural market access that are much more ambitious than even the G20 proposals. These we would suggest need to be regarded even now as well off the radar screen of the landing zone in this negotiation. At the other extreme, existing proposals from the major developed players in agricultural market access do not, in our view, provide a sufficient basis to advance the negotiations in NAMA.

We are prepared to move but our group is committed to moving forward proportionately. We do not think it would be fair to expect us to move further on NAMA than the major developed countries are prepared to move on Agriculture.

We are looking for an ambitious result that delivers on the Doha developmental mandate. We are prepared to make our contribution to achieving that result within the new proposed timeframes, but the Membership must recognise that we can only afford to make a proportional contribution. There is an old adage often referred to in negotiations in our country: both the chicken and pig need to make a sacrifice to produce a bacon and egg breakfast, but their sacrifices are of a different order and magnitude. A deal will only be possible in this Round if countries in our group are not asked to make a pig's sacrifice to gain chicken feed.

Thank you.