

G-33¹ Ministerial Communiqué Jakarta, 12 June 2005

1. G-33 Ministers met in Jakarta on 11 and 12 June 2005 to assess the progress of the agriculture negotiations and, in particular, emphasized their common objective of ensuring that the WTO Doha Work Programme meaningfully contributes to the development endeavors of developing countries. In that context, Ministers stressed the importance they attach to achieving a balanced outcome in the negotiations on agriculture. They reiterated that guaranteeing food security and livelihood security, and rural development constitute the core foundation of the development agenda of the G-33 countries, an alliance of a large number of developing countries including LDCs across the continents.
2. Ministers recalled that the Doha Declaration sets out the development agenda that must be achieved in each area of the negotiations, and the flexibilities that must be extended to developing countries. They stressed that more meaningful and operational Special and Differential Treatment for developing countries should be an integral part of all elements of the negotiations. Ministers, reaffirming their commitment to a successful completion of the negotiations under the Doha Work Programme, further stressed that modalities to be agreed upon must faithfully reflect the integrity of the developmental mandate of the Doha Declaration. To this end, Ministers underlined the importance of arriving at a balanced *first* approximation of the modalities by July 2005 and in the full modalities, an important aspect of which is that all issues of importance to developing countries are addressed in an equitable manner.
3. Ministers expressed their concern at the lack of adequate forward movement in the agricultural negotiations and stressed that progress in these negotiations must be pursued through an open and inclusive process with the full involvement of the G-33. This is essential to ensure equity and the legitimacy of the results of these negotiations.
4. Ministers underlined that addressing the problem of food and livelihood security as well as rural development constitute a concrete expression of developing countries right to development and therefore require a comprehensive solution in all three pillars of the agriculture negotiations.

¹ G-33 Countries: Antigua and Barbuda, Barbados, Belize, Benin, Botswana, China, Cote d'Ivoire, Congo, Cuba, Dominican Republic, Grenada, Guyana, Haiti, Honduras, India, Indonesia, Jamaica, Kenya, Korea, Madagascar, Mauritius, Mongolia, Mozambique, Nicaragua, Nigeria, Pakistan, Panama, The Philippines, Peru, Saint Kitts, Saint Lucia, Saint Vincent and the Grenadines, Senegal, Sri Lanka, Suriname, Tanzania, Trinidad and Tobago, Turkey, Uganda, Venezuela, Zambia, and Zimbabwe.

5. Ministers reiterated that the concepts of Special Products (SP) and Special Safeguard Mechanism (SSM) as provided for in the July 2004 framework are fundamental to any meaningful operationalization of Special and Differential Treatment, and crucial for addressing food and livelihood security as well as rural development needs of developing countries. They emphasized that SP and SSM are key policy instruments for securing the survival of the vast number of small farmers and the rural poor. Therefore modalities on this matter shall be finalized by the Hong Kong Ministerial.
6. Ministers recalled that the July 2004 Framework states that developing countries will designate an appropriate number of SPs on the basis of food security, livelihood security and rural development needs. Ministers emphasised that the complex nature of these concepts does not render feasible the establishment of a universal criteria for SPs. They strongly stressed that the selection and designation of an appropriate number of SPs must be made with a full appreciation of the domestic policy context and circumstances of individual developing countries concerned.
7. Ministers agreed that products that meet the criteria of food security, livelihood security and rural development shall be designated as special products. They stressed that the designation of SPs should reflect the assessment of individual countries regarding the importance of specific products for food and livelihood security and rural development. Ministers emphasized that the selection of SPs should be informed by the domestic circumstances of the developing Member concerned as well as be supportive of the overall development policy established by the said Member, including of measures addressed to enhance the production and export potential of agricultural sectors currently at an incipient stage of development.
8. Ministers directed their negotiators to intensify the technical work on special products and come up with indicators based on food security, livelihood security, and rural development needs, which would assist developing countries to designate their own special products.
9. Ministers recalled that the July 2004 Framework provides that SPs will be eligible for more flexible treatment, and that the Framework implies that SPs are neither bound by the formula for tariff reductions nor by provisions related to tariff rate quotas (TRQs). Ministers reiterated that for SPs to be an effective instrument, these products must be exempt from tariff reductions and any commitment on TRQs. Moreover, SPs must have guaranteed access to the SSM. Finally, Ministers stressed that no concessions should be demanded of developing countries in exchange for these flexibilities.

10. Ministers recognized the fact that the SSM is equally important for attaining the development objectives of developing countries. They also highlighted the need for SSM to provide more operationally effective remedy for developing countries against import surges and price depressions. This mechanism is intended to provide an effective remedy for developing countries against import surges and price depressions. Ministers recalled that in accordance to the July framework, the SSM shall be available to all developing countries.
11. As a safeguard mechanism for developing countries, the SSM must be able to respond to the needs and the particular circumstances of individual developing countries and LDCs. This mechanism must take into account their institutional capacities and resources and thus must be simple, effective and easy to implement.
12. Ministers emphasized that the SSM shall be available to all agriculture products. They stressed that in order for the SSM to be operationally effective, recourse to both volume and price triggers for the SSM is extremely important for developing countries. Ministers stated that linking access to the SSM to the level of tariffs or to commitments on tariff reductions on particular product is inappropriate because it will undermine the nature and objectives of the SSM.
13. Ministers viewed that tariff reduction formula is core to the market access pillar, which can greatly influence developing countries effort to safeguard food and livelihood security and rural development. They underlined the need to ensure that the formula eventually agreed does not undermine the concept of special and differential treatment. Thus, Ministers recalled that the July framework clearly specifies that the tiered approach should take into account the different tariff structures of Members. In this regard, the thresholds for the tiered formula must be carefully designed to avoid tariff lines of developing countries being subjected to excessive tariff cuts.
14. In addition, Ministers recalled that the concept of harmonization has not been agreed to by Members as applied to tariff reductions. Progressivity will be achieved by the very structure of the tiered formula. Further, they emphasized the importance of the principle of proportionality and reiterated that they will work together towards the adoption of an appropriate formula which would guarantee that the overall tariff reduction by developing countries is less than that required for developed country members.
15. Ministers recalled that the July Framework foresees that commitments on TRQs may be established for certain categories of products. Minister, however, noted that most developing countries do not have TRQ commitments in their Uruguay Round schedules. Ministers, therefore, stressed that this situation must be taken into consideration in determining the appropriate flexibility to be accorded to developing countries.

16. Ministers expressed concerns with the call to reduce developing countries *de minimis* support which constitutes a fundamental policy instrument in supporting small and resource poor farmers, and in addressing food security, livelihood security, and rural development. In this context, Ministers stressed that it is inappropriate to ask developing countries to reduce *de minimis* support as it is one of the few avenues they currently have to provide support to their agricultural sectors in a WTO-compatible manner.
17. Ministers agreed to continue fostering close cooperation within the Group and other developing country groupings, including the ACP, the African Group, the LDCs and the G-20. Ministers believe that it is only through the collective spirit and close cooperation among developing countries that the Development dimension of the Doha Declaration can be effectively achieved.
18. Ministers also expressed their readiness to engage constructively with other negotiating groups and players for a successful outcome of the VI WTO Ministerial Conference in Hong Kong.
19. Ministers agreed to continue close dialogue and enhance the channels of direct communication among them, including through regular meetings, in preparation for the VI Ministerial Conference.
20. Ministers welcomed the election of the next Director General of the WTO. They also welcomed the participation of the Chairpersons of the General Council and the Committee of Agriculture in Special Session as special guests. The involvement of the special guests provided an opportunity for Ministers to have an open discussion on important developments and issues in the negotiations that are of importance to the G-33.
21. Ministers thanked the Government of the Republic of Indonesia for organizing this Meeting and for the warm hospitality of the people of Indonesia.

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