



MOFTIC Digest

Facilitating Coherent & Effective Trade Policies together
with Dynamic Programmes of International Cooperation

Issue No. 1

2003

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GUYANA'S IMPLEMENTATION OF THE CARICOM SINGLE MARKET & ECONOMY (CSME)

Ms. Bevon McDonald, Foreign Service Officer

Background

The Caribbean Community (CARICOM) Conference of Heads of Government in 1990 agreed to the establishment of a single market and economy. In 1992 they further agreed to the establishment of an Inter-Governmental Task Force (IGTF) to supervise the revision of the Treaty of Chaguaramas in order to establish the CARICOM Single Market & Economy (CSME).

The IGTF, which was established by the Conference, decided that the Treaty Revision Process should be done by a series of nine (9) Protocols (which have now been incorporated into the Revised Treaty) treat with: establishment, services and capital; industrial, trade, agricultural and, transport policies; disadvantaged countries, regions and sectors; competition policy, consumer protection, dumping and subsidies; and the settlement of disputes.

Protocol II has been defined to include the Single Market & Economy and will operate to approximate the different economies of CARICOM to a single economic space. Details relating to the specific activities with respect to the exercise of these rights, the time-frame within which existing restrictive conditions for the grant and enjoyment of these rights, are currently the subject of negotiation and determination at the relevant fora within CARICOM.

The full implementation of the Protocol II is critical to the effective and successful functioning of the CSME. In this regard, Member States were obligated to notify all existing restrictions that are inconsistent with Protocol II. These restrictions include:

Restrictions on the right of establishment; Discriminatory restrictions on banking insurance and financial services; Restrictions on movement of capital and all current payments; Administrative practices and procedures which restrict establishment and provision of services; Restrictions

cont'd on page 3

MOFTIC AND THE PRIVATE SECTOR

The relationship between the private sector and the Ministry of Foreign Trade and International Cooperation (MOFTIC) continues to be fruitful. In the constant interaction of the various workshops, consultations and seminars held by MOFTIC, opportunity is always availed to the private sector to air our opinions on fundamental trade issues relating to private sector development:

- Workshops/seminars provide knowledge and aid by equipping the private sector with the tools needed to plan for the trading agreements (WTO, FTAA and EU/ACP).
- Discussions in technical working groups contribute in making the private sector much more viable, enabling it confront and exploit opportunities emerging from various free trade arrangements.
- Involvement in trade agreements has enabled us to establish relationships with countries that are interested in doing trade with Guyana's private sector.

The Hon. Minister and his team are doing an exemplary job. It is most expedient at this point to mention the "Review of Guyana's Foreign Trade". It is an excellent start in disseminating information and statistics that is always a challenge to access taking cognisance of our limited resources and capabilities. The periodic publication of such a document will assist us in analysis and planning.

The private sector would like to encourage the Ministry to continue its good work. We look forward for your continued support in promoting growth and development within the private sector.

Dr. Peter De Groot, Chairman of the Private Sector Commission

EDITORIAL

This first issue of *MOFTIC Digest* endeavors to provide coverage of issues that the Ministry of Foreign Trade & International Cooperation (MOFTIC) has been engaged in the first quarter of 2003.

MOFTIC's responsibilities strand across different agencies in government and the private sector, and While MOFTIC is the lead agency in the development and pursuit of Guyana's trade policy and programmes of international Cooperation, effective trade policymaking, international cooperation and implementation of policy decisions requires commitment and cooperation between diverse arms of stakeholders in the public and private sectors.

MOFTIC Digest represents an effort by the Ministry to facilitate access to information, understanding of, and disseminate information about MOFTIC's goals and achievements to a broad potential readership. It is hoped that this publication will provide a platform for a better understanding of the aims and objectives of the work of the Ministry of Foreign Trade & International cooperation.

MOFTIC Digest is a quarterly publication. Readers are invited to forward their comments and suggestions aimed at improving the scope or focus of future publication.

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on the movement of managerial, technical and supervisory staff including spouses and immediate family members; Restrictions on the establishment of agencies, branches and subsidiaries of companies of CARICOM nationals; and Restrictions on access to land, buildings and property essential to carry out business.

The CARICOM Secretariat had contracted a Consultant to identify all existing restrictions to be found in Member States' laws and administrative practices that would prohibit the smooth implementation of Protocol II. Guyana's proposals for the removal of those restrictions was submitted to the CARICOM Secretariat in December 2001, and was accepted by both the Community Council and the Inter-Sessional Meeting of the Conference of Heads of Government, in February 2002. The schedule became effective from March 1, 2002.

Status of Implementation of the CSME by Guyana

• Treaty Revision

Currently, the Attorney General's Chambers is processing the Revised Treaty to have it ratified and enacted into domestic legislation.

• Caribbean Court of Justice

The Agreement establishing the Caribbean Court of Justice (CCJ) was

ratified in July 2002.

Attorney General's Chambers is currently taking steps to have this Agreement enacted into local legislation.

• Free Movement of Skills

The Attorney General's Chamber's is pursuing a draft order for the exemption of work permit requirement for categories CARICOM Nationals as approved by the Council for Human and Social Development (COHSOD).

• Implementation of the programme for the removal of restrictions

The Ministry of Foreign Trade & International Cooperation is currently coordinating the programme for the removal of restrictions which would facilitate the free movement of other categories Guyanese.

• Adoption and implementation of the Manual of Administrative Procedures for implementation of the CSME nationally

The Manual of Administrative Procedures for the national implementation of the CSME sets out the administrative procedures required for the actualization of the CSME. This manual has been submitted to the Cabinet for adoption.

• Facilitation of Travel

With respect to the elimination of

passport by CARICOM Nationals, it was agreed that whilst Guyana has neither the equipment to issue machine-readable Photo-ID nor to read those of other CARICOM nationals, Photo-ID presented by CARICOM nationals will be accepted at all ports of entry.

The Attorney General's Chambers is expected to commence work shortly on amending the Immigration Regulations to provide for the implementation of a Common (CARICOM) e/D Form.

• Establishment of a National Accreditation Board

The Ministry of Education has indicated that it is anticipated that the National Accreditation Board will be established by the 2nd Quarter of 2003 and the Standards of the Board effected by the 4th Quarter of 2003.

Expected Benefits of the CSME

The CSME is intended to facilitate economic development within Member States and across the Region and its key features include the free movement of factors of production – goods, services, capital and labour; along with the appropriate supporting measures. It should also provide the framework for the efficient and competitive production of goods and services for both the regional and international markets.

NEGOTIATIONS OF ECONOMIC PARTNERSHIP AGREEMENT WITH THE EUROPEAN UNION (EU)

Ms. R. Jagarnauth

What is the Cotonou Agreement?

This is the first in a series of articles intended to sensitise the public, private sector and non-state actors about the Cotonou Agreement.

On June 23, 2000, Guyana and 76 other African, Caribbean and Pacific (ACP) countries signed a new partnership agreement with the 15

Members States of the European Union (EU) in Cotonou, Benin. The Agreement is referred to as the COTONOU Agreement.

The objectives of the Cotonou Agreement are as follows:

- The eradication of poverty

- Sustainable development
- The gradual integration of ACP countries into the world economy.

The Cotonou Agreement established a new relationship between the ACP region and the European Union that encompasses economic, political and development dimensions.

In terms of trading relations, the Cotonou Agreement sets the platform for building 'new trading relations' between the ACP countries and the EU. The Agreement refers to the negotiation of Economic Partnership Agreements that build on the past 40 years of partnership between the ACP countries and Europe and suggests a clear departure from the past 25 years of non- reciprocal preferential trade relations that Guyana benefited from under the Lomé Conventions.

Other key goals of the Cotonou Agreement include the following:

- Reinforcement of the political dimension between the ACP countries and the European Union.
- Involvement of civil society, the private sector and other non-state actors.
- Poverty reduction. This will be in keeping with objectives and strategies agreed at the international level.
- Economic and trade cooperation framework (that is WTO compatible).
- Rationalisation of financial instruments.

The Agreement will be in effect for 20 years and makes provision for revision every 5 years.

Trade Negotiations, the Cotonou Agreement & Economic Partnership Agreements

Recognising that the past trading relations (under the Lomé

Conventions) between the EU and the ACP are no longer compatible with WTO rules, Part 3 – Cooperation Strategies- of the Cotonou Agreement makes provision for new trading arrangements between the two groups of countries.

This arrangement will be characterised by the progressive abolition of obstacles to trade between the ACP and the EU and will be achieved through the development of Economic Partnership Agreements (EPAs).

Launching of Negotiations

Negotiations for the EPAs were officially launched on September 27, 2002, in Brussels, at a Special Meeting of ACP-EU Council of Ministers.

At this and subsequent meetings, it was decided that negotiations for EPAs will be conducted at two levels; the Ministerial and Ambassadorial levels and will be undertaken in two phases. Phase 1 is referred to as an "ALL-ACP" Phase in which matters of common interests and concerns to all the ACP countries will be addressed. This phase is to last until September 2003.

Phase 2 will address matters of concerns that are specific to the region or at a national level and will commence at the completion of Phase 1 negotiations.

The Structure of Negotiations

The Joint ACP/EU Committee of Ambassadors met on October 30 and December 9, 2002 to discuss matters relating to the scope, structure and content of the negotiations.

The ACP has identified six clusters for the conduct of the negotiations. These are to ensure that all matters of ACP concerns can be adequately and comprehensively dealt with.

These clusters are:-

1. Market access
2. Agriculture and Fisheries

3. Trade in services
4. Development cooperation
5. Trade related issues
6. Legal issues

For each of these clusters a lead Ministerial and Ambassadorial spokespersons were identified. Alternates at the Ministerial and Ambassadorial were also identified.

Guyana has been identified as the Alternate Ambassadorial Spokesperson for Agriculture.

For the rest of the Caribbean, Barbados has been identified as the lead Ministerial Spokesperson on Services. Haiti is the lead Ambassadorial spokesperson on Legal Services and the Eastern Caribbean States the Ambassadorial Alternate for market access.

Issues currently in discussion

There are two broad issues concerning the structure of negotiations that are still being discussed by Ambassadors, namely:

- How the ACP's concerns on development issues will be addressed in a holistic manner since the EU does not see it necessary to discuss development issues separately.
- What the configuration for the second phase of the negotiations will be and whether at the end of Phase 1 of the negotiations will result in a legally binding agreement or an Understanding.

The ACP/EU Council of Ministers are expecting to meet in June/July to advance the process of the negotiations.

GUYANA HAS BEEN IDENTIFIED AS THE ALTERNATE AMBASSADORIAL SPOKESPERSON FOR AGRICULTURE.

Australia and Brazil Challenge to the EU Sugar Regime

Content of the Challenge

In September 2002, Australia and Brazil submitted a challenge to the EU sugar regime in the World Trade Organisation (WTO). The two countries voiced objections to the export subsidies that the EU have in place, claiming that they are in violation of the EU's commitments at the WTO. It is asserted that the subsidies depress world prices and, therefore, weaken the earnings of all other sugar producers.

How is Guyana affected?

Guyana, as one of the ACP states exporting sugar to the European market benefits from preferential sugar prices offered by the EU stemming from the programme of subsidisation that the EU currently operates.

ACP countries receive a price over 300% higher than the world price from the EU for their sugar exports to Europe. This high price is considered as vital to the survival of their industries with the world price of sugar being at record lows.

Guyana's sugar industry contributes approximately 20% to the national GDP, provides direct employment to over 24,000 people. The industry is also a strong anchor in the social development of Guyana.

Any loss of preference to the European market will undoubtedly have grave economic and social consequences nationally.

Although both Australia and Brazil have indicated that they do not intend to challenge the preferential access that developing countries enjoy in the EU market, it is difficult to see how the challenge to the sugar regime will not affect the EU's total sugar subsidisation programme.

Guyana's response to the Challenge

In November 2002, WTO consultations on this matter took place in Geneva in November 2002. Fourteen ACP sugar producing and supplying countries joined as third party observers in the consultation process. Statements were presented by a number of ACP states highlighting the critical importance of the EU preferential markets to the social, economic, political, cultural development of their economies.

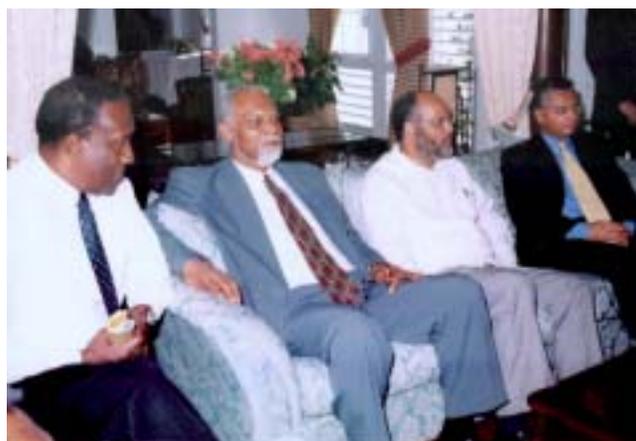
The ACP countries have also undertaken a number of initiatives to lobby the countries with the view that they will withdraw the challenge or settle the matter outside the WTO dispute settlement mechanism.

On February 7, 2003 the ACP Enlarged Sugar Bureau comprising of Guyana, Mauritius, Belize, Fiji and Swaziland under-

took a lobby mission to Brazil. The Bureau met initially in Guyana, along with other Caribbean countries for a co-ordination meeting.

The Ministry of Foreign Trade and International Cooperation is monitoring the developments on this matter

In Brazil, the Ministers met with a number of Ministers and high-level officials in the Brazilian government. At this meeting, Brazil reiterated assurance that the aim of the challenge is not to hurt ACP sugar interests. They did, however, inform the Bureau that the Brazilian authorities have agreed to take the matter to the WTO panel.



Press Conference at Colgrain House on Wednesday February 5th, 2003 - Left Dr. Carrington, Secretary General Caricom, Minister Knights - Jamaica, Minister Rohee - Guyana and Minister Jugnuath - Mauritius

STATEMENT ACP LOBBYING MISSION TO BRAZIL

The ACP had decided to meet the Brazilian authorities in the context of the request of Brazil and Australia for consultations on the EU sugar regime. Our visit was prompted amongst other things by our belief that Brazil, a developing country like ours, would un-

derstand our concerns.

On the basis of our own analysis and considered view that if the challenge was being pursued, it would have serious implications for our sugar industries including reducing dramatically

the preferential price that the ACP receives for its exports of sugar to the EU and cause irreversible damage to our countries.

Since the request for consultations, Brazil had given a series of assurances

to the effect that its action was in no way meant to undermine the preferential access of ACP sugar exports to the EC market. At that time, we requested Brazil to give concrete expression to these assurances by firstly putting an end to the consultations procedure and secondly, by using the negotiations on agriculture at the WTO to arrive at a solution that would satisfy all parties concerned.

It is most unfortunate that we were apprised during the course of a meeting we had with the Minister of External Relations of Brazil that a decision in principle had been adopted to take the challenge to the Dispute Settlement Body of the WTO. However, at the same time, the Minister declared that Brazil was prepared to examine and consider any proposals by the EU to resolve the issue.

Notwithstanding this decision, the ACP is still hopeful that consultations between the parties will be ongoing and that a satisfactory solution can be found which will bring a halt to the whole exercise. Needless to say, we

would expect that resolution through consultations would result in the preservation of the preferential arrangements for ACP sugar exports to the EU in keeping with the assurances we have received from the Government of Brazil. These assurances were also repeated during discussions with the Brazilian authorities.

Having said this, it must be emphasized that while the seven (7) ACP developing countries which export sugar to the EU under the Sugar Protocol may be very small players in the world sugar market, sugar is vital for the socio-economic development of our countries. Sugar production accounts for a considerable proportion of the workforce and provides gainful employment to many small planters. In some cases, sugar accounts for as much as 80% of the total number of persons employed in agriculture. Sugar is a major component of foreign exchange earnings in the ACP Sugar Supplying States e.g. in the case of Barbados, constituting the only agricultural export; and representing in other cases up to 9% of all agricultural exports. In a number of

ACP countries, sugar is the main source of foreign exchange in the agricultural sector. Without soundly based sugar industries, there would be a severe negative impact on the agricultural and agro-industrial sectors of the ACP supplying countries.

It should be noted that many ACP countries are engaged in modernizing our sugar industry at considerable cost in order to bring down costs of production and improving efficiency. Any adverse development with regard to our preferential access to the EU and to our predictable and stable earnings will undoubtedly undermine our efforts. Not only will a price reduction lead to an immediate decline in the standard of living of the people of these countries, but it will also have a severe negative impact on the agro-industrial health of the ACP sugar supplying States given that the sugar industry is essential to the socio-economic life of the rural population.

We reiterate our deep concern about the decision taken by the Brazilian Government.

SYNOPSIS OF DEVELOPMENTS IN THE WORLD TRADE ORGANISATION (WTO) DOHA AGENDA

Mr. Gregory Downes, Assistant to Minister MOFTIC on WTO Issues

AGRICULTURE NEGOTIATIONS

Notwithstanding the extensive work undertaken in the Committee on Agriculture (CoA) during the 'modalities phase' of the current negotiations, Members failed to agree on modalities for further commitments in the area of agriculture by the mandated deadline of 31st March 2003. For the most part Members, particularly the major players (the US and the EU), remain divided on most of the core issues captured in both the first and revised draft text on modalities for further commitments

circulated by the Chair of the CoA on the 18th February and 18th March, respectively. There is also concern by developing countries with regard to the treatment of developmental issues in the draft text. The core issues include quantitative targets for tariffs reduction, export subsidies and domestic supports reductions, and S&D provisions for developing countries.

No other meeting of the CoA was scheduled prior to the fifth Ministerial Conference on 10th -14th September in

Cancun, Mexico. However, given that Members failed to agree on modalities by the 31st March deadline, the Chair of the CoA indicated that other negotiating sessions will be convened prior to the Cancun Ministerial. Harbinson is to also continue consultations with Members States on tariff formula, Strategic Products, special safeguard mechanism for developing countries, food aid and export credits, *inter alia*.

SERVICES NEGOTIATIONS

Although the Services negotiations have had some progress since the Doha Ministerial, they seem to have reached deadlock in recent months in the areas of rules, domestic regulation and the establishment of an emergency safeguard mechanism (ESM). Some procedural progress has been made this year, e.g. modalities for Autonomous Liberalization (AL)¹. After being in a state of stalemate for several months, on 6th March, the Council on Trade in Services finally adopted modalities to treat with liberalisation undertaken unilaterally since the Uruguay Round. The 'credits' however have to be negotiated bilaterally between the requesting country and the country that benefited from the liberalisation.

On the market access side, about 30 Members (counting the EU as one) have made initial requests since the deadline of July last year. As for initial offers with the Doha deadline of 31st March this year, these have been put forward by 11 Members so far, namely the EU, the US, Canada, Australia, Japan, New Zealand, Norway, Paraguay, South Korea, Taiwan, and Uruguay. CARICOM is to submit common requests as well as offers; however this is yet to be done.

On the issue of special treatment for Least Developed Countries (LDCs), The General Agreement on Trade in Services (GATS) Article XIX:3 provides that modalities shall be established on special treatment for LDCs, giving priority to facilitating these countries increased participation in world trade. At the Special Session of the CTS held on 20th January 2003 initial and substantive discussions were held on a text tabled by Zambia on behalf of LDCs. The Text was considered as a good basis for further deliberation on this issue, although some Members ex-

pressed concerns regarding certain provisions in the document.

TRADE RELATED INTELLECTUAL PROPERTY RIGHTS (TRIPs)

TRIPs AND PUBLIC HEALTH

Paragraph 6 of the Declaration mandated the Council to "find, expeditiously, a solution by the end of 2002 to the difficulty countries with insufficient or no pharmaceutical manufacturing capacity may have in taking advantage of the compulsory licensing arrangement"². Currently, the TRIPs Agreement permits Member States to issue compulsory licenses for the production of patented products where such a move is considered necessary to protect public health. However, such a facility is only available to countries with the capacity to manufacture the generic drugs necessary, production is required to be primarily for the domestic market. Negotiations came to a halt in December 2002 after all but one of the then 144 members, the US, refused to endorse the Chairman's December 16 draft solution with respect to disease coverage³. The US wants the coverage to be specific to certain infectious diseases only, however this position is not supported by the wider grouping of developing countries. For the latter group of countries the Doha mandate covers public health problems in general. Several subsequent attempts to break the deadlock, including a mini-Ministerial held in Tokyo, Japan on 14th – 16th February, and initiatives by the EU, Japan and Brazil to resolve this issue have been futile.

² See WTO Document WT/MIN(01)/DEC/W/2

³ See the Chairman's draft decision on the Implementation of Paragraph 6 - JOB (02)/217

OTHER TRIPs ISSUES

On the establishment of a multilateral system of notification and registration of geographical indications (GIs) significant areas of disagreement remains. One relates to whether all WTO members should be obligated to protect the terms in the multilateral system or whether it should be at the discretion of each country. Another area of divergence relates to whether only the notification and registration of GIs should be voluntary or whether it should be extended to the protection of registered terms. In an effort to harmonise positions the Chairman of the Council on 20th March circulated a note which is based on consultations with Members. The Note seeks to "suggest possible elements/options" regarding the establishment of a GI register for wine and spirits (see JOB(03)/60 available at <http://docsonline.wto.org>). The Note however offers little in terms of the way forward. The Chairman of the Council circulate a draft negotiating text on GIs which was discussed at the Council 29-30 meeting. However, despite several useful interventions Members still remain divided on several core issues Members are to agree on a multilateral system for the notification and registration of GIs by the fifth WTO Ministerial Conference scheduled for 10-14 September.

NON-AGRICULTURE MARKET ACCESS

As part of the work programme adopted by the Negotiating Group on Market Access (NGMA) on 19th July 2002, Members were required to submit proposals on possible modalities for further commitments. The proposals received by the Secretariat were used to prepare two overview papers. The first, which was circulated on 5th February deals with tariff modalities (see TN/MA/6 <http://docsonline.wto.org>), while the second

¹ The final text, document TN/S/6, is available at www.docsonline.wto.org

document circulated on 7th April, 2003 deals with non-tariff barriers (NTBs) issues. Both documents have been discussed at meetings of the Negotiating Group convened during the months of February and April respectively, however little progress has been made with regard to harmonising positions held by Member States. While CARICOM as a group is yet to table a paper in this negotiating forum, Barbados, Jamaica and Trinidad and Tobago have co-sponsored a paper which was submitted to the Group on March 25th (see document TN/MA/W/30 <http://docsonline.wto.org>) which spoke to a range of market access issues. The Chair of the negotiating Group has indicated his intentions to circulate an initial draft text on modalities by mid-May for the consideration of Members.

May 31st is the deadline for members to agree on a framework for negotiations on market access for non-agricultural products.

TRADE AND DEVELOPMENT SPECIAL AND DIFFERENTIAL TREATMENT

Three deadlines to report to the General Council with clear recommendation for a decision on how to strengthen existing special and differential treatment (S&D) provisions have not been realised by the Committee on Trade and Development (CTD) – 31st July, 31st December 2002 and 10th February 2003. Of the 85-plus Agreement –specific proposals tabled by Members, only approximately 22, all of minor significance, have clear consensus. Members

are divided on a host of issues under the consideration of the CTD. Among them are the Agreement-specific issues, cross-cutting issues, the “Way Forward” for the Special Session of the CTD, the establishment of a monitoring mechanism for special and differential treatment and criteria for technical and financial treatment. There is also diverging views regarding the Doha mandate of the CTD. Specifically, whether the CTD has the authority to amend existing agreements in pursuit of its mandate, that is, strengthening existing S&D. An early harvest on those Agreement-specific proposals that have clear consensus was suggested by developed countries. This sentiment, however, was not supported by the wider grouping of developing countries.

TRINIDAD AND TOBAGO

TRADE & COOPERATION

Recognizing the severe trade imbalance between themselves and their CARICOM trading partners, the Government of Trinidad and Tobago initiated a “CARICOM Support Programme to redress intra regional trade.

Guyana responded positively to this initiative because it is compatible with the mechanisms, which were established under the High Level Bilateral Commission (HLBC) and the inaugural meeting of trade experts, which was convened in Port-of-Spain in September 2000. In an effort to improve our

share of trade with Trinidad and Tobago in particular and the region in general, Guyana prepared and submitted to the Government of Trinidad and Tobago, a concise executive summary by sector and industry and other resources needed to redress the trade imbalance.

This summary was prepared through a consultative process with representative of different sectors of the Guyanese economy. It addressed issues with respect to restricted trade in a number of sectors of the Guyanese

economy and areas of cooperation between Guyana and Trinidad and Tobago that could help overcome constraints and strengthen trade between the countries.

On February 11, 2003 the Ministry of Foreign Trade and International Cooperation submitted the executive summary to the Government of Trinidad and Tobago for their consideration and comments to further the process of improving trade and cooperation with Trinidad and Tobago.

BRAZIL

INTERNATIONAL ROAD TRANSPORT AGREEMENT

During an official visit to Brasilia, Minister Clement J. Rohee, Minister of Foreign Trade and International Cooperation and Minister Celso Amorim, Minister of External Relations signed the International Road Transport Agreement between Guyana and Brazil on February 7, 2003.

The International Road Transport Agreement specifically deals with passengers and goods that use the road on route and crosses at least at one point of the border between the two countries as its’ transport infrastructure. It also facilitates the commercial transport of all goods that can be merchandised. In addition to taking these

strategic steps Guyana and Brazil are in the process of negotiating new areas of technical cooperation, which will intensify cooperation.

The added dimension of economic and Technical Cooperation is significant for a number of reasons, under which, the Venezuela/Brazil/Guyana/Suriname

HUB evolved. The Hub is wide in scope, among which is the Integration of Regional Infrastructure in South America (IIRSA). Specifically, the IIRSA involves the development of physical infrastructure (transportation, energy and telecommunications) production and natural resources. This enables validated and improved business visions of the Hub (developed mostly with information from secondary sources).

One of the IIRSA's objectives is the development of strategic infrastructural projects, which would be beneficial to Guyana. In this regard, inter-agency consultations were conducted with the manager of IIRSA, Mr. Alfredo Moscoso Chiape who visited Guyana and had meetings with sectoral Ministries, including the Ministry of Foreign Trade and International Cooperation.

Discussions were entertained regarding project ideas/proposals that would be beneficial to Guyana. Consultations are ongoing.

THE GUYANA/BRAZIL ROAD

As an off spring of the International

Road Transport Agreement, Guyana and Brazil commenced constructing a road that would link the two nations. The contract to construct the road was awarded to Mekdeci Machinery Construction Inc (a Guyanese company). Construction of the road is currently ongoing on the Southern side between Kurupukari and Annai. The delay in completion of the road has been largely due to inclement weather. Mekdeci Machinery Construction Inc, however, has given full assurance that the road will be an all weather road. Construction is currently ongoing on the southern side between Kurupukari and Annai. However, due to the foreseen May/June rain, construction would be temporarily suspended and recommence after the rain.

NARI/EMBRAPA MOU and TCP

The National Agricultural Research Institute (NARI) and Empresa Brasileira de Pesquisa Agropecuaria (EMBRAPA) have declared their mutual interest in a Memorandum of Understanding, which enables cooperation programmes and exchanges, in the fields of agricultural research and technology.

COLOMBIA

ADVANCEMENT OF GUYANA'S AGRICULTURAL SECTOR

In a new energetic approach, Guyana has been cooperating with Colombia towards further advancement of Guyana's agricultural sector. Colombian expert assistance is being provided in Feedlot Development for Beef Cattle facilitated by the Guyana/Colombia Technical Cooperation; technological improvement of the Intermediate Savannahs; establishment of a geographical Information systems unit. Recently, a Colombian sports expert arrived in Guyana to hold coaching sessions with the Guyana Football Federation. The expert was deputed at the request of the Ministry of Culture, Youth and Sports. NARI and EMBRAPA are expected to sign the MOU in due course.

MALAYSIA

TECHNICAL TRAINING

The Government of Malaysia has invited the Government of Guyana to nominate suitable candidates to participate in the following training courses:

- (1) Library Visit and Attachments
- (2) General Tax Administration Course

CUBA

THE GUYANA/CUBA JOINT COMMISSION

The Guyana/Cuba Joint Commission has consultations ongoing for the implementation of the following projects:

A Guyanese technician is expected to

depart shortly for Cuba for training in micro transplant techniques for fruit crops. The main developmental objective of the training is to improve the fruit export potential and foreign exchange capacity in the country.

- The interchange of information between Guyana and Cuba regarding genetic material in fruit crops.

The XXII Session of the Guyana/Cuba Joint Commission is scheduled for May/June 2003. Projects that were not implemented from the XXI Session of the Joint Commission will be carried over to the work programme emanating from the XXII Session.

Some of these projects include: assistance from Cuba on a feasibility study for the establishment of a cancer treat-

ment centre and a dialysis centre, Spanish tutor for primary school teachers, training in dairy development, artificial insemination and experts for beehive development and the operations of drainage and irrigation systems.

- MOU on Trade between the Min-

istry of Foreign Trade and International Cooperation and the Ministry of Foreign Trade of Cuba.

The following agreements are expected to be concluded shortly:

- Cooperation Agreement between

the Guyana Export Promotion Council and the Promotion Centre for Cuban Exports.

- Agreement establishing the Guyana/Cuba Joint Business Development Council.

INDIA

GUYANA INDIA JOINT COMMISSION

For the First Quarter of 2003 the government of Guyana and the government of India further strengthened their Bilateral Relations in a number of areas. These areas of cooperation are under the auspices of the Guyana/India Joint Commission.

In the area of **technical assistance** the government of India has agreed in principle to increase the annual allocation of Indian Experts to Guyana

under the Indian Technical and Economic Cooperation (ITEC) programme.

In the **agricultural sector** the Ministry of Foreign Trade and International Cooperation had facilitated the signing of a Memorandum of Understanding (MOU) between the National Agricultural Research Institute (NARI) of Guyana and the Indian Council of Agricultural Research (ICAR) of India on

January 22, 2003 to conduct research in agriculture and for the promoting of agricultural development in Guyana.

An intensification of cooperation between Guyana and India is anticipated after the Fourth Session of the Guyana/India Joint Commission which is scheduled for Georgetown during the first half of 2003.

CHINA

BILATERAL INVESTMENT TREATY WITH CHINA

A Bilateral Investment Treaty was tabled by the Government of China in December 2001 after the conclusion of the Guyana/China Trade Agreement. It is seen as a complementary agreement to the Trade Agreement concluded on September 17, 2001. This Bilateral Investment Treaty was signed on March 27, 2003 in Beijing, China by the Hon. Minister of Foreign Trade and International Cooperation of Guyana and the Minister of Commerce of China.

GUYANA INTERNATIONAL CONFERENCE CENTRE (GICC)

The Exchange of Notes for Phase I of the GICC Project was signed on September 19, 2002. This facilitated the dispatching of Team of Chinese experts to Guyana to carryout an initial feasibility study on the proposed site for the GICC. Before returning to China, the Team of Chinese experts signed the Design Contract for the GICC. The Design Contract was signed by the Ministry of Public Works and Communications on the Guyana side and the China Southwest Architecture and Design Institute on January 14, 2003.

EIGHTH SESSION OF THE GUYANA/CHINA JOINT COMMISSION

The Eighth Session of the Guyana/China Joint Commission on Economic, Trade and Technical Cooperation was held on March 27, 2003 in Beijing, China. Guyana's Delegation was led by the Hon. Clement Rohee Minister of Foreign Trade and International Cooperation and in-

cluded Ambassador Donald Abrams, Ms. Choo An Yin and Mr. Cecil Pollydore. This delegation was part of the larger Presidential delegation headed by H.E. Bharrat Jagdeo who was on a State Visit to China.

The Eighth Session of the Joint Commission reviewed the progress of the projects and proposals of the last Joint Commission and examined possibilities for further promotion of bilateral trade and economic cooperation. It is anticipated that these new areas examined

would be incorporated into the new work programme. Also at this Session the Hon. Clement Rohee, Minister of Foreign Trade and International Coop-

eration, Guyana and the Hon. Lu Fuyuan, Minister of Commerce, China, concluded the Agreement on the Promotion and Protection of Investments and the Agree-

ment on Economic and Technical Cooperation.

SOME OF THE CURRENT COOPERATION PROJECTS

Moco-Moco Hydropower Project

The Moco-Moco Hydropower Station was constructed to provide electricity to Lethem and its environs. This Power Station was built by Chinese Engineers whose period of deputation ended in September 2002. The Power Station is

now being managed, maintained and serviced by Guyanese Engineers who were trained by the Chinese.

Medical Cooperation

Guyana has been benefiting from ongoing Medical Cooperation Programme

with China by provision of Medical Experts. Currently there are fifteen Chinese Medical Doctors in Guyana, who are attached to the Georgetown Public Hospital and Linden Hospital Complex.

SOME OF THE PROPOSED COOPERATION PROJECTS

Deep Sea Fishing

Guyana and China are currently in discussions on possible cooperation in the area of deep sea fishing.

Cooperation between GTV and CCTV

Guyana and China are exploring the possibility of providing training and equipment for GTV.

Access to Chinese lines of Credit

The Private Sector of Guyana has expressed an interest in obtaining preferential lines of credit through the Bank of China. China has agreed to provide information on the terms and conditions that apply to these lines of credit. The Eighth Session was held on March 27, 2003 in Beijing, China, coinciding with

the Presidential State Visit to China. Projects and proposals under the Seventh Joint Commission were reviewed and new areas of cooperation were fostered. It is expected that the new areas of cooperation would be implemented in the new work programme based on the submission of detailed project proposals and guidelines.

VISIT BY HIGH LEVEL CHINESE DELEGATION

A High Level Chinese Delegation led by Madame Wu Yi visited Guyana on January 07-08, 2003. During the visit, there were discussions between the Private Sector and representatives from Chinese Companies on trade and investment. The following sets of agreements were also signed between the Vice Minister of the Ministry of Foreign Trade and Economic Cooperation of China and the relevant Guyanese Ministers:

1. Exchange of Notes for Phase II of the GICC project - Hon. Clement J. Rohee, Minister of Foreign Trade and International Cooperation;
2. Agreement for RMB¥10M Grant for Economic and Technical Cooperation - Hon. Clement J. Rohee, Minister of Foreign Trade and International Cooperation;
3. Exchange of Notes for the deputation of one (1) table tennis coach, (1) martial arts coach and one (1) interpreter to be attached to the Ministry of Culture - Hon. Dale Bisnauth, Minister of Labour, Human Services and Social Security;
4. Protocol for debt relief for the following three (3) loans:
 - (a) August 26, 1963 £464,285 Pounds Sterling Loan;



President Jagdeo and Minister Rohee with the Chinese high delegation Madame Ma Xiu Hong, Vice Minister of Foreign Trade & Economic Cooperation (far left) and the leader of the Chinese delegation, Madame Wu Yi during the signing of notes in Georgetown, Guyana.

- (b) September 18, 1963 SFR 5,000,000 Swiss Francs loan;
- (c) April 10, 1972 £10,000,000 Pounds Sterling loan.

JAPAN

NEW AMSTERDAM HOSPITAL PROJECT

The Permanent Secretary of the Ministry of Health and the Director of Regional Health Services traveled to Japan through the courtesy extended by the Japanese Government for these two (2) officials to witness the tendering process for the awarding of the construction contract for Project for the Reconstruction of the New Amsterdam Hospital. The Construction Contract for the New Amsterdam Hospital Project was also signed on January 27, 2003 during the visit by the two (2) officials of the Ministry of Health to Japan. The Japanese Resident Consultant for the Project arrived in Guyana on March 08, 2003 to commence work on the project. Construction is expected to commence in early April. A "Turning of the Sod" Ceremony was convened on March 31, 2003 by the Ministry of Health to mark the commencement of construction on the New Amsterdam Hospital Site. A formal invitation was extended to the Japanese Ambassador to attending this ceremony. The Japanese Counsellor from the Japanese Embassy in Caracas attended the ceremony on behalf of his Ambassador.

TECHNICAL TRAINING

The Government of Guyana received technical training offers from the Government of Japan in the following areas:

1. Sustainable Mineral Development
2. Environmental Policy and Environmental Management Systems
3. Fire Fighting Techniques II

REPUBLIC OF KOREA

KOREAN GRANT AID

The Government of the Republic of Korea has donated to the Government of Guyana under Korean Grant Aid, five (5) vehicles. Three (3) of the five (5) vehicles were handed over to Office of the President, one (1) to the Ministry of Foreign Affairs and one (1) to the Ministry of Foreign Trade and International Cooperation. The Korean Consul General in Caracas traveled to Guyana for a formal handing over of the vehicles on March 20, 2003.

TECHNICAL TRAINING

A list of training courses conducted by the Korean Government was submitted to the Government of Guyana for the indication of three (3) training courses, which the Government of Guyana is interested in participating in during 2003.

THE RUSSIAN FEDERATION

TRADE AND ECONOMIC AGREEMENT

The Government of Guyana has submitted for the consideration of the competent authorities in the Russian Federation a draft of a comprehensive Trade and Economic Agreement. This agreement would provide a framework for technical and other forms of cooperation with the Russian Federation. In addition, the framework of the government's National Development Strategy provides for cooperation in many areas that would be of mutual benefit to both countries.

ITALY

SOFT LOAN OF 3.305 MILLION EUROS

The Government of Guyana has received from the Government of Italy a soft Loan of 3.305 million Euros for the rehabilitation, maintenance and construction of Drainage and Irrigation facilities in the Mahaica Mahaicony Abary (MMA) area. The financial convention has been signed by the Honourable Minister of Finance, Saisnarine Kowlessar on August 20, 2002. The Procurement agreement was signed which allows for Italy to commence procuring equipment on behalf of the Drainage and Irrigation Project. Implementation of the 3.305 million euros, Italian Soft Loan is to commence shortly.

COOPERATION WITH INTERNATIONAL ORGANISATIONS

ORGANIZATION OF AMERICAN STATES

The Ministry of Foreign Trade and International Cooperation, the designated Focal Point for collaboration with the Organisation of American States (OAS) has benefited tremendously from this partnership. The Government of Guyana in the first quarter of the 2003 was awarded scholarships for individuals to pursue advance studies overseas under the OAS 2003 - "Agency Placed Graduate Fellowship and the Fulbright -OAS Ecology". In addition, the OAS has invited local agencies to participate in workshops and seminars that are usually fully funded and contributes to the development of both the private and public sector. The Inter-American Agency for Cooperation and Development (IACD) of the Organisation of American States invited the Government of Guyana to submit five (5) project concepts for the OAS/FEMCIDI Programming process that addresses the National Agenda.

INTERNATIONAL ORGANISATION OF MIGRATION

The Ministry of Foreign Trade and International Cooperation is actively involved in acquiring membership in International Organisation of Migration (IOM). In consultation and collaboration with the ministry of Foreign Affairs Guyana, is expected to seek observe status with IOM.

COMMONWEALTH SECRETARIAT

The Ministry of Foreign Trade and International Cooperation is in active consultations with the Commonwealth Secretariat, with the view to acquiring experts to be assigned to several agencies.

VOLUNTARY SERVICE OVERSEAS

VSO volunteers continue to play an integral role in the development of Guyana, as evident demand by the number of request for volunteers by both the public and private sectors. Volunteers are assigned to the Ministries of Education, Health among other agencies. **There are forty (40) VSO volunteers who are currently deputed to Guyana and on a frequent basis there are requests for extension of contracts by the beneficiary agencies.**

LAUNCHING OF THE FIRST REVIEW OF GUYANA'S TRADE 2001/2002 JANUARY – JUNE

**SPEECH BY HON. CLEMENT J. ROHEE, MINISTER OF FOREIGN TRADE AND INTERNATIONAL COOPERATION
AT THE NATIONAL LIBRARY, GEORGETOWN, JANUARY 22, 2003.**

Dear Friends,

As this is my first public speaking engagement for the New Year let me extend to each and every one of you present my best wishes for a prosperous New Year.

In these trying times which we are currently experiencing, I believe we need to take a cue from Frank Sinatra and keep on the "Sunny side of the Street".

In August 2001, just eight months after the new Ministry of Foreign Trade and International Cooperation was established, I convened a meeting with local Statistics Providers to discuss issues pertaining to trade statistics for use in the various external trade negotiations in which Guyana is currently engaged. It was also my intention to lay the basis for a sustainable collaborative relationship between my Ministry and the Bank of Guyana, the Statistical Bureau and the Customs and Trade Administration.

Today, we are gathered here to mark just one, but a very significant result of this collaborative effort.

I emphasize just one aspect of this inter-agency cooperation because we have been collaborating in many other key and critical areas such as the preparation of trade data for the Caricom Secretariat to facilitate the activities of the Council for Trade and Economic Cooperation (COTED).

We have also worked together in preparing relevant data for the creation of a Hemispheric Data Base which is critical for enhancing transparency at the negotiations for the establishment of the Free Trade Area of the Americas (FTAA).

These are but just a few of the many activities in which we have collaborated over the past year or so. Now we have reached a critical stage in our collaborative efforts. We are now going public with one manifestation of our joint efforts. This means subjecting ourselves to greater scrutiny and accountability by the general public.

We are nevertheless convinced that this is the way to go since among other considerations, statistical analysis is a good

basis for developing public policy, formulating strategic responses and to help make critical decisions.

We believe that a good statistical system would enable a country to form an accurate picture of the challenges confronting it in the region in which it is situated.

Moreover, the availability of timely, transparent and reliable statistical data can be a decisive factor for achieving equitable and sustainable development.

The modern business world has a great appetite for facts and data. And it is an established fact that well-organized data improves our understanding of problems and helps us to take decisions wisely.

Information and statistics are the lifeblood of the planning process undertaken by Governments. Without data, it would be difficult to make any realistic decisions at all.

Information is power. It is not infrequent that persons can be frustrated by opposition to a proposal coming from someone who claims to know the "real situation" or to have "reliable" information. Such claims, however spurious, if presented convincingly can be extremely powerful in a decision-making process. However, a planner with confident grasp of information and armed with reliable data is in a strong position to convince others of his/her case. No one involved in the planning process can afford to underestimate the importance of access and familiarity with data and statistics.

Information is a necessary prerequisite for planning and making decisions, it can also be used as an excuse for not planning. An all too familiar argument for not taking a difficult decision is the apparent lack of sufficiently accurate information.

Availability of reliable, quality statistics will assist greatly the work of the Ministry of Foreign Trade and International Cooperation and the other agencies contributing to trade policy planning. Government needs data on trade flows and the direction of trade for a number of reasons namely:

Informing internal policy decisions;

- To provide the basis for deciding with which countries to negotiate or not to negotiate free trade agreements;
- To make an educated input in key areas of negotiations, as regards the CSME, FTAA, WTO, ACP-EU as well as bilateral trade agreements;
- To respond to requests for modifications of the CET and implementation of safeguards.

In addition to the above, Guyana is likely to undergo a WTO Trade Policy Review in the near future. A major part of this exercise is the submission of data to the WTO which will be the basis for scrutiny by other Member States of the WTO. This is a particularly important exercise for Guyana since it will contribute to a review of the management of its trade policy and demonstrate how it measures up to international standards. It is important that quality data is in place to facilitate the Review.

In addition to assisting Government in the planning process, the availability of accurate and reliable data is crucial to assist private companies in planning their business activities. The availability of reliable, comprehensive statistics presented in a format which is easily understood allows for forecasting to be undertaken for decision making and to help attract new investments.

The publication that is about to be launched contains figures for exports and imports by value, volume and destination for each sector of the economy. The data shows the trends during the period 2001 - 2002 - January - June in respect of imports and exports of specific products as well as the direction of Guyana's trade.

In addition, the publication shows production data correlated with imports and exports.

It is hoped that the publication will in the longer term serve the purpose in providing timely and updated information to policymakers, researchers and businessmen who can influence trade flows between Guyana and the rest of the Caribbean Community and the world as a whole.

The immediate objective of the publication is to provide for enhanced comprehension of Guyana's trade flows, their implications as well as trade with our major trading partners.

In addition, the publication is aimed at helping to improve our capacity to provide current and detailed trade data and

also to improve the comparability of the data produced.

As I have pointed out in the publication's foreword

Foreign Trade is an integral part of Guyana's national economy. In the year 2001 exports from our country amounted to 85.7% of Guyana's GDP. Guyana is a trade-dependent economy with a high reliance in tariff revenues. In the year 2001 import and export duties accounted for 29 percent of Government revenues.

A survey of the major export categories from 1990 to 2002 indicates that improvements were registered in the exports of non-traditional products such as, shrimp, timber, diamonds, garments and furniture. Sugar, rice and gold showed some improvements towards the mid-1990s, but in recent years export earnings in these commodities have declined.

In addition, serious trade imbalances exist in capital and intermediate goods trade as well as in factor and non-factor services.

On the positive side, Guyana enjoys a trade surplus with most of its neighbours, as well as with Barbados and Jamaica. However, Guyana is experiencing a sizeable trade deficit with Trinidad and Tobago.

Seventy-six (76) percent of our exports are raw materials/commodities. This means we continue to be price-takers on the global market. At the same time, the preferential and world market prices for our traditional exports have been declining and will decline further.

However, the good news is that as regards non-traditional exports that is, other exports, where there is value added, there has been a growth from 9 percent of total exports in 1997 to 12 percent in 2002.

Some Key Internal and External Factors Inhibiting Exports are:-

- (1) High cost of production - cost of inputs, freight as well as human resource constraints;
- (2) Sustaining the quality of the product;
- (3) The challenge to supply the external market on time;
- (4) Inadequate information on new products and market segments;
- (5) No external marketing agency;
- (6) Declining external prices (competition from other suppliers);
- (7) Declining quotas;

- (8) Subsidies to competitors - for example the US farm bill 2002

In addition, port facilities continue to be a factor in the cost of the final export. Guyana's port facilities are centered around Georgetown and are not equipped to deal with huge bulk-cargo.

Incentives, both fiscal (taxes) and monetary (loans) are factors to be considered if Guyana's exports are to be brought up to international standard and competitiveness.

Export growth depends to a large extent on incentives, standards, quality, competitiveness and technological adaptability. The maintenance of existing markets and the ability to find new markets are crucial to rapid export growth.

There are approximately 75 import and 76 export enterprises operating in Guyana.

Some of the steps necessary for Guyana to become a strong

trading nation are; improving our competitiveness, efficiency, as well as the quality/standards of our exports, our physical infrastructure and timeliness in the delivery of our exports.

With the slow down in the global economy casting its shadow on Guyana and the rest of Caricom we at the Ministry of Foreign Trade and International Cooperation (MOFTIC) will continue to monitor the situation and read the trends in the global economy. Above all we will continue to watch out for and to open up opportunities for increased trade by using our analytical skills to the best of our ability to advance Guyana's trade and economic interests to the satisfaction of our people.

We do hope that with the launch of this first Review of Guyana's Foreign Trade, the Ministry of Foreign Trade and International Cooperation will be well placed to advance Guyana's multilateral, regional and bilateral trading interests to bring the maximum benefits to the people of Guyana.

I thank you.

SERVICES SEMINAR

STATEMENT BY HONOURABLE CLEMENT J. ROHEE,
MINISTER OF FOREIGN TRADE AND INTERNATIONAL COOPERATION
AT LE MERIDIEN PEGASUS, MONDAY JANUARY 27, 2003.

On behalf of the Ministry of Foreign Trade and International Cooperation I would like to welcome you all to this important Awareness Seminar on the Services Trade.

I am especially grateful to Dr. Sherry Stephenson for agreeing at very short notice to take time off her otherwise busy schedule to conduct this Seminar. Dr. Stephenson's expertise in the area of Services has been made available to the Caribbean Community (CARICOM) on various occasions, the most recent being over the past weekend here in Georgetown.

I would also like to thank USAID Director Mike Sarhan and GEO Project Coordinator Tom Whitney for responding to my request to have this Seminar and for putting the arrangements in place to facilitate it.

I would like to take the next few minutes and reflect on some developments in the area of trade in services and some important issues for us.

First, the international trade in Services:

Over the past two decades or so, the services sector has emerged as a major contributor to economic development and the global trade in services has been expanding at a rapid rate, particularly in the area of "other services" (such as business and professional services, value-added telecommunications, financial services, health care, education and training etc.). Services account for approximately one-fifth of recorded world trade as well as the majority of domestic activities in most economies.

Information technology has so transformed the sector that it is now not only a consequence of, but also a precondition for economic development. For most regional economies in the Caribbean, for example, the major employment providers include tourism, telecommunication and data processing, finance and insurance and entertainment. Since the 1990s the telecommunications and computer related services such as data processing have been registering increased growth

and making a greater contribution to the Caribbean services sector. For many Caricom States the contribution of services trade to GDP is over 50%.

Second, the external negotiations:

The negotiations to liberalize trade in services are being undertaken in independent fora, with different calendars, and with different objectives and procedures – the WTO, FTAA and the CSME. These processes are intimately related. In this regard, the first issue that needs to be highlighted is that the WTO GATS norms and disciplines constitute the “floor” or the minimum common denominator of other agreements for the liberalization of trade in services. Consequently, any modification or development of new norms and disciplines in the GATS will affect the development of hemispheric, regional or sub regional initiatives.

Any agreement to liberalize trade in services must not only be compatible with the GATS provisions, current or future, but would also be expected to go further than GATS – that is, the Agreement would have to be WTO “plus” - in order to maintain its own identity.

For Guyana, and indeed the region as a whole, developments in the various external negotiations are not divorced from the ongoing regional programme in the Caricom Single Market and Economy (CSME) concerning the implementation of Protocol II on the Right of Establishment, Provision of Services and Movement of Capital. The urgency to agree and implement a regime on Services in the region ahead of the conclusion of the external negotiations places an equal urgency on us at the national level to identify our priorities at the macro level and strategic Services sectors at the industry level.

Against this background, I would say that the timing of this Awareness Seminar is right for three main reasons: Firstly, the Caribbean Community has committed itself to a specific programme of implementation which would allow the Caricom Single Market and Economy (CSME) to be well in place by the end of 2005. In this regard, under Protocol II of the Revised Treaty of Chaguaramas which deals with the Rights of Establishment, Movement of Capital and Provision of Services, all restrictions on regional service providers are scheduled to be removed by the end of 2005.

The idea is to ensure that regional service providers receive no less favourable treatment than what is or will be given to non-Caricom suppliers. Caricom members should in no way be disadvantaged in terms of treatment in the regional

economy as a result of liberalization to the multilateral environment.

Secondly, in the Free Trade Area of the Americas (FTAA) substantive negotiations on services liberalization are scheduled to begin in July 2003 and concluded by the end of 2004. Participating states, however, are expected to present their initial market access offers by February 15, 2003 – that’s just under three weeks from today. The FTAA negotiations, in many areas including services, are expected to be WTO-plus.

And thirdly, the multilateral trading environment under the WTO. As noted before, the built-in-Agenda negotiations are proceeding and would certainly impact developments elsewhere.

Third, why focus on Services?

Often the potential for expanding services exports is overlooked in national export development planning because of inadequate statistics and a lack of familiarity with export activities of services firms. There may also be a presumption that the necessary developmental activities are the same for goods and services, which is not the case.

Given the fast pace at which trade in services is currently growing, it is imperative that the Region be actively involved. Developments globally are increasingly towards services and have seen the sector contributing an increasing share to national output compared with the goods producing sector. To ensure the continued growth and expansion of services in the region, the major constraints to growth must be identified and addressed.

With key agricultural exports being threatened by the persistent challenges to preferential trading arrangements, and labour-intensive manufactured exports facing increased competition, the development of service exports in addition to tourism is an essential plank of the region’s future development.

The key policy issue, therefore, is what type of arrangements, both internally and in any extra-regional trade agreement, can be developed to encourage the expansion of non-tourism services in the region. Having implemented the necessary internal reforms, external trade arrangements could be complementary and further improve the local environment for foreign investors.

In Guyana, though the key economic activities remain focused on the tradable goods sector, concentrated in the traditional commodity sectors, there is growing evidence of the

potential for the development and contribution of the services sector in the expansion and diversification of the national economy.

Clearly we need to broaden and deepen, at the same time, our understanding of the Services sector and its potential for the modernization of the national economy. We need to do so quickly, not only in relation to the rapid developments in the multilateral trading environment but importantly for the critical issues that need to be addressed in the context of our national development.

To overcome the “invisibility” of services industries, an immediate first task is to develop a widespread awareness that services firms make important contributions to national economy in terms of job creation, wealth creation, and foreign exchange earnings.

Also, because there is little training available as yet on services marketing and exporting, managers of services industry firms may need technical assistance to take advantage of their export potential. They need to be aware of international expectations for service quality and be prepared to meet them. The satisfaction of foreign investors with the services of local service firms can impact positively on national capabilities in services. This can be very helpful to local service firms in capturing export business in the home markets. As such, efforts to increase the use of local suppli-

ers can bring economic benefits.

Over the past months the Ministry of Foreign Trade & International Cooperation (MOFTIC) has been involved in consultations with local service providers with a view to establishing a National Association of Services Providers. We hope to launch this Association sometime in March 2003.

We are convinced that this is a step in the right direction especially since we are now in the offers/requests stage of the negotiations on Services both at the WTO and the FTAA. In this regard, the views of the Private Sector here in Guyana as well as the granting of greater market access to Service Providers from the industrialized States is a matter which the Private Sector must be a key.

Finally:

Today’s event is intended primarily to build greater awareness of the subject among the Guyanese public, especially the private sector and the services sub-sectors. The Workshop this afternoon with the staff of my Ministry and a technical working group would assist in our ongoing national preparation for the external negotiations.

With these brief remarks, ladies and gentlemen, I thank you once again.

WTO TRADE POLICY REVIEW SEMINAR (GUYANA)

STATEMENT BY THE HONOURABLE CLEMENT J ROHEE, MINISTER OF FOREIGN TRADE AND INTERNATIONAL COOPERATION AT THE FOREIGN SERVICE INSTITUTE (FSI), GEORGETOWN, JANUARY 29, 2003

I am very pleased to welcome you to this WTO Trade Policy Review seminar for Guyana. I am happy you have found it possible to be here and I can assure you that the subject of our meeting is of great importance to all of us.

I am especially pleased to welcome our two special guests seated at the head-table. Mr. Clemens Boonekamp and Mr. Angelo Silvy are official representatives of the World Trade Organization (WTO) in Geneva, here in Guyana to conduct this Trade Policy Review Seminar and to hold important discussions with senior government officials over the next two days.

Mr. Boonekamp is the Director of the WTO Trade Policy Review Division and a national of the Netherlands. Mr. Silvy is

a Counsellor in the Trade Policy Review Division as well and he is a national of Peru. They arrived here late last night, having traveled all day yesterday from Geneva. And while I am aware that their schedule could be a packed one, I hope they would have some time to look around – the city at least – since I understand this is their first visit to Guyana.

Ladies and Gentlemen,

I have been asked to make an Opening Statement at this morning’s proceedings. I thought it would be fitting that I bear in mind the theme which the Programme seems to suggest. I, therefore, wish to speak to the issue of *participation in the multilateral trading system and the challenges for small economies*.

In his Overview in the Trade and Development Report 2002, the Secretary General of UNCTAD stated, and I quote:

“Since the third session of the WTO Ministerial Conference, held in Seattle, a renewed effort has been made to address the concerns of developing countries, culminating in a different kind of bargain being struck at Doha. Developing countries, by agreeing to a comprehensive programme of work and negotiations, demonstrated their commitment to tackling global political and economic threats; in return, they expect that development concerns will be central to the negotiations. The challenge is now to translate an expanded negotiating agenda into a truly development agenda...to make the multilateral trading system more development-friendly. The outcome will be judged by the extent to which developing countries achieve greater market access without their policy options being restricted.”

Following the Seattle failure in 1999, the WTO was immediately faced with the critical need to establish itself as a credible institution capable of meeting the aspirations of all its members. The unmistakable, unambiguous call, especially by developing countries, therefore, has been for the WTO to fully recognize the real differences amongst member countries in terms of resources, trade volumes and levels of development, while endeavoring to keep its agenda in time with the dynamics of international trade and globalization. This would entail a number of key undertakings, including:

- the need to increase the degree of universality of the WTO and the transparency of the decision-making process in the trading system; and
- the need to ensure the full integration of developing countries, and especially the least developed among them, into the trading system as soon as possible.

Small trading economies such as those of the Caribbean Community (CARICOM) are faced with tremendous challenges in an increasingly globalized world environment characterized by rapid economic integration and trade liberalization. These challenges are compounded by the realities we know so well in Guyana – narrow production base and limited supply capacity, often remaining dependent on one or two commodities.

We witness the impact of this globalization process everywhere in our daily lives. Information, know-how, ideas –

these are the new forces that are driving the global economy forward. And the global economy is not waiting for us. Technological change is advancing rapidly all over the globe. If we are to succeed we must at least seek to build capacity and train our people for the modern economy – one based on increasingly less restricted cross-border movement of people, goods and services.

The international trading system is central to the ongoing process of economic reforms in the economies of the Caribbean Community (Caricom). The region’s establishment of the Caricom Single Market and Economy (CSME) represents the critical and pragmatic steps which a group of small vulnerable economies found necessary to take to respond effectively to the changes in the global trading environment. It is about recognizing that our national interests are increasingly global interests and that our economic security increasingly hinges on the strength of others.

Many of our countries, including and especially Guyana, have undertaken comprehensive structural adjustment programmes in collaboration with the international financial institutions. In most cases – certainly in Guyana’s case – the commencement of these structural adjustments preceded the World Trade Organization as well as the Uruguay Round negotiations.

For Guyana it has not been an easy process to mobilize the national political support for the structural adjustment and liberalization programme. Besides, the adjustment process brought with it, immediately, certain debilitating consequences for the weaker sections of the populations, including the productive and business sectors of the national economy.

Market access for our agricultural and non-agricultural products in the developed markets has ironically become less and less certain – in the face of trade liberalization. This unequal distribution of the benefits from trade is in large part due to the persistence of barriers to the entry of products in which developing countries have a comparative advantage. In addition, the widespread use of all forms of subsidies effectively nullifies the market access concessions that may have been made by developed countries. Penetration of developing country markets is also promoted through subsidies.

This is why we continue to argue that the liberalization and globalization process must ensure sustainability and stability in the development of the smaller economies. Dislocations must be minimized to the very least. In the WTO context, therefore, future special and differential treatment should

be based on specific development criteria instead of arbitrarily defined transition periods, and must be part of a special programme in the WTO that focuses on the trade development needs of smaller economies.

As you would be aware, Guyana has been participating actively in the Free Trade Area of the Americas (FTAA) negotiations from its inception in 1995 and continues to do so within the framework of CARICOM's joint approach to the external negotiations. The FTAA negotiations are fairly advanced and the expectation is that an agreement should be achievable by the 2005 deadline set by the countries of the hemisphere. The Caribbean Community negotiates as a group and we have advocated consistently and forcefully the principle of the *"differences in levels of development and size of the economies"* in the negotiations. We also continue to advance the reasonable case for funding mechanisms including a Regional Integration Fund (RIF), to take care of the adjustment needs of the smaller economies in the hemisphere.

These things, one would think, would be easily recognized and accepted by our more developed trading partners – especially in the face of the severe disruptions and turbulence which the globalization process has in recent times invited upon many large and small developing countries alike.

From the inception of the Summit of the Americas (SOA) process in December 1994, Guyana spearheaded the Caribbean Community's call for the establishment of a Regional Integration Fund (RIF) that would help the "smaller economies" respond effectively to the adjustment challenges that would result from the implementation of the FTAA and the adjustment to the hemispheric and wider trade liberalization.

After several years of lobbying and active representation by the CARICOM group, Trade Ministers of the hemisphere met in November 2002 and, for the first time since the FTAA process commenced in 1995, agreed to the creation of a Hemispheric Cooperation Programme (HCP) to assist countries in three key areas: (i) Participation in the external negotiations; (ii) Implementation of trade commitments; and (iii) Adjustment to integration (into the hemispheric and global trading environment). The Ministers also mandated the technical negotiators to discuss the critical matter of funding for the Programme and the identification of the sources of such financial resources.

In the Market Access negotiations relating to agriculture we have articulated the clear position that: (i) Caricom members must be allowed to apply their WTO bound tariff as the

base tariff for tariff liberalization in the agricultural sector. This has been conceded to Caricom, though not without a stern fight; and (ii) Since we do not maintain or have access to resources for subsidies, any commitments to reduce our tariffs must be matched by the commitments of other countries to reduce their high incidence of non-tariff measures (NTM) and subsidies. On this latter point the discussions are not yet concluded.

Institutional Arrangements

A big question in all of this naturally relates to how a small country such as Guyana copes with the multiplicity of negotiations and new commitments. This is a real challenge – especially in the face of scarce human and technical resources.

First, as I mentioned earlier, in keeping with its rights and obligations as a Member State of the Caribbean Community (CARICOM), Guyana participates in CARICOM's group approach to the various external negotiations and the work of the Caribbean Regional Negotiating Machinery (RNM). The RNM was established by Caricom Heads of Government in April 1997 to coordinate the region's preparation for and participation in the various external trade negotiations.

Second, as a consequence of the establishment of the RNM, member states established national committees to coordinate national positions to feed into the regional machinery process. In September 1997 Guyana established the National Advisory Committee on External Negotiations (NACEN) with which many of you are familiar.

We took specific action in February 2002 to establish a National Trade Negotiations Committee (N-TNC) under the National Advisory Committee on External Negotiations (NACEN). The N-TNC is technical in its structure and work, and reports to the NACEN. The N-TNC is comprised of ten (10) technical working groups, each covering related subject areas in the various external trade negotiations in the World Trade Organization (WTO), Free Trade Area of the Americas (FTAA), the ACP-EU Post-Cotonou Negotiations and the Caricom Single Market and Economy (CSME).

These technical working groups (TWGs), which include both public and private sector representation at senior technical level, allow for technical analyses of negotiating proposals and issues and the development of national positions in the external negotiations. The N-TNC functions as the technical arm of the NACEN.

Also, in February 2002 Caricom Heads of Government agreed

on the appointment of Ministerial lead spokespersons for the region in the key external trade arenas. Guyana, in the person of the Minister of Foreign Trade, was designated the region's Ministerial spokesperson on WTO matters.

Following this decision of the Caricom Heads, the Government of Guyana, with a view to strengthening appropriate institutional arrangements, strategically accredited its Embassy in Brussels as the country's *non-resident* Mission to the WTO in Geneva, taking into account the need to effectively coordinate the country's participation in both the Geneva process at the WTO and the ACP-EU Negotiations in Brussels. This arrangement will suffice as an important one until

Guyana is able to establish a resident Mission or presence in Geneva.

The Trade Policy Review which we have now commenced with the WTO is aimed in this direction as well – that is the strengthening of our institutional arrangements as well as our domestic trade policy environment. We should hear more about this from our guests from the WTO.

On this note, Ladies and gentlemen, I wish to end my presentation.

Thank you.

THE 14TH SESSION OF COTED

ADDRESS BY HON. MINISTER OF FOREIGN TRADE AND INTERNATIONAL COOPERATION OF GUYANA-GEORGETOWN, GUYANA, JANUARY 31-FEBRUARY 1, 2003

Madame Chairman
Ministers of Government
Secretary-General, CARICOM Assistant Secretary-General of CARICOM
Members of the Media
Ladies and Gentlemen

Allow me to bid you a warm welcome to Guyana. Home to the Secretariat of the Caribbean Community.

Since this is the first COTED Meeting in the New Year, I would like to extend to each and every one of you best wishes for 2003.

And while I am on this note of felicitations, I would like to recognize the presence and participation of the Cuban delegation as well as the newly appointed Minister from Suriname to this 14th COTED. A warm welcome to you and best wishes also.

Colleagues,

This 14th COTED is convened at a time when Trade Ministers and Officials are just as busy as Hans Blix and Mohamed El Baradei but with some fundamental differences. They are engaged in myriad trade negotiations and related activities for “regime changes” in trade, the “removal of material breaches” of WTO disciplines and other trade distorting measures, not to mention the accomplishment of “deadlines” un-

der pressure from circumstances over which we have very little control.

We here in the Caribbean are also caught up in a “smoking gun” syndrome albeit from the standpoint of our own economic survival.

In almost every Member State of the Community the competent authorities are at their wits end as they valiantly battle on several fronts to cope with the rising tide of trade negotiations to ensure that their national and regional interests are adequately and effectively represented.

Compounding this situation, is the fact that the much vaunted offer by members of the Donor Community to provide resources to help build national capacity have turned out to be empty promises, if not illusive, so much so that Governments are now left to fend for themselves and to “paddle their own canoe” as it were lest they be left pondering at the crossroads trying to figure out in a state of desperation if not exasperation, who to turn to next with the proverbial begging bowl.

Colleagues,

It is not my intention to be labour the point or bellyache over the fact that the enormity of the Region's agenda with ongoing negotiations both at bilateral and multilateral levels is placing a major challenge to us in many respects.

And mind you, it is not only the negotiations per se, as a matter of fact, it is the dizzying pace with which these negotiations are galloping and worse yet, the imminent deadlines we have to meet.

Yet we have to rise to the occasion, the paucity of our human and financial resources notwithstanding.

To those on the other side of the negotiating table who are banking on these deficiencies to gain negotiating advantage and to use this as leverage. I believe that it would not be idle talk to say with full confidence in our negotiators that our adversaries are in for some pleasant surprises.

In the final analysis, the responsibility is ours to ensure that the region's negotiating capacity is continuously strengthened and sharpened and our negotiating positions made unassailable.

At the same time, we must take cognizance of those critical proposals that have been advanced by the major players in the current global trade negotiations. We must of necessity be in a position to develop adequate responses to these proposals. This is no time for guess work or engaging in fanciful formulae.

We are now in the season of serious business that requires serious and thoughtful responses.

What we sign on to eventually is what we will have to live with for a very, very long time. And lest we forget, as was

said in the case of Getsemany - we shall not pass this way again.

The desire for Special and Differential Treatment must continue to be our clarion call and our negotiating mantra as we proceed with confidence and optimism towards the goals of 2005 and 2010.

On the home front, we should avoid duplicity and engaging in double standards in so far as unfair trade practices are concerned.

We cannot on the one hand, call as a community, for the removal of barriers to trade, subsidies and other trade distorting measures while at the same time maintain similar unfair measures and practices among ourselves as we proceed inexorably towards a Single Market and Economy.

A discriminatory tax or a trade distorting measure against one Member State is at the same time, a discriminatory tax and trade distorting measure against all Member States.

Colleagues,

We have a packed Agenda before us. It is just as dizzying as the pace of the external negotiations in which we are currently engaged.

I urge that issues on the Agenda be prioritized in such a way that the matters requiring Ministerial decisions are highlighted and given the attention they deserve in our deliberations.

Thank you.

WORLD INTELLECTUAL PROPERTY ORGANISATION

SPEECH DELIVERED BY THE HON. MINISTER OF FOREIGN TRADE AND INTERNATIONAL COOPERATION AT THE OPENING SESSION OF THE JOINTLY HOSTED WORKSHOP BY THE GOVERNMENT OF GUYANA AND THE WORLD INTELLECTUAL PROPERTY ORGANIZATION, GEORGETOWN, GUYANA, MARCH 3, 2003

Mister Chairman, Mr. Jaoquin Alvarez, Programme Officer of WIPO with responsibilities for Guyana, Members of the WIPO Mission, Participants Special Invitees, Ladies and Gentlemen.

It gives me great pleasure to bid a formal welcome to the delegation from the World Intellectual Property Organization and to all present at this illustrious gathering today.

Viewed from the prospective of a small developing country, of which Guyana is an example- the theme of this workshop is thought provoking, timely and of high importance. The role of intellectual property protection in today's globalized trading economy is complex, multi-functional and to a significant degree, contentious as it applies to all aspects of our daily lives.

Guyana acceded to the WIPO on October 25, 1994. We also became a signatory to the Paris Convention for the Protection of Industrial Property and the Berne Convention for the Protection of Literary and Artistic Works, simultaneously after our accession to WIPO.

Guyana received its first WIPO Mission in June 1995. The Mission convened a seminar to sensitize the Guyanese Public on the importance and the value of intellectual property.

In September 1996, WIPO dispatched its second mission to Guyana to conduct a follow up seminar to the first held in 1995. Again, the aim of this seminar was to sensitize the public on the importance of intellectual property in the encouragement of creativity and innovations.

Early in 1999, WIPO dispatched a Fact Finding Mission to the Caribbean Region to carry out research and investigative work in the fields of traditional knowledge, biodiversity, genetic resources and folklore. Guyana was identified as one of the countries, which would benefit from the findings of the Fact Finding Mission. The results and findings of the Fact Finding Mission was published in a book titled "Intellectual Property Needs and Expectations of Traditional Knowledge Holders" in April 2001.

These activities signify the Government of Guyana's recognition of the importance of intellectual property in today's globalized economy. It expresses the willingness of the Government of Guyana to work along with WIPO in the encouragement of creative activity and the promotion of intellectual property throughout the world.

The Government of Guyana recognizes that hand in hand with technological development, intellectual property has become a global issue, because of its increasing relevance to key and critical policy issues such as food security, health, labour, trade, cultural heritage, environment, investment and scientific and technological transformation.

Over the years, the Government of Guyana and WIPO has developed friendly relations through consultations based on technical assistance needs, especially in the areas of institutional strengthening and capacity building. The Government of Guyana has benefited from the participation at seminars, workshop and training programmes sponsored and organized by WIPO.

In June 2002, Guyana, at the invitation of WIPO, participated in the WIPO Ministerial Level Meeting on Intellectual Property for Caribbean countries, which was hosted by the Surinamese Government. The Suriname Ministerial laid the

foundation for future work on intellectual property in the region. Consultations were held in the areas of public education and strengthening of enforcement capacities, commitment of resources for assistance in capacity building and continued support for the development and promotion of intellectual property protection in the region.

In September 2002, a CARICOM Ministerial Delegation headed by Guyana met with the Director General of WIPO at the WIPO Headquarters in Geneva. This meeting provided a unique opportunity to discuss the road map for preparation for the next WIPO Ministerial Meeting, which is scheduled for Antigua and Barbuda in November of this year. The DG of WIPO expressed the willingness to collaborate with the Caribbean in areas other than the traditional training and support for legal drafting. WIPO is willing to expand beyond these traditional areas of cooperation and to take on the initiative with CARICOM in the fields of Small and Medium Sized Enterprise, Traditional Knowledge, Genetic Resources and Folklore, WIPO net, Collective Management of Copyrights and Museum Works.

Turning to developments in the international arena, I would like to highlight some typical intellectual property matters, which are of great importance to Guyana both at WIPO and at the WTO.

Debates are currently taking place which are making it increasingly obvious, that there is a great divide between the interests of the developed countries and the developing countries. It is important that as Developing Countries we fight to ensure that our interests and views are put forward in the debates and that the Agreements which are ultimately reached reflect our needs if we are not to be swamped by obligations which impose on us great burdens and have no corresponding benefit for ourselves and our people.

Firstly, there is the WIPO Patent Agenda: Options for Development of the International Patent System which was tabled the 37th Sessions of Meetings of the WIPO General Assemblies in September 2002. This Agenda sets out a plan for the development of a Harmonized International Patent Legal System.

At that meeting, Developing Countries expressed concerns that the proposed harmonization process will lead to the harmonization of the laws of a small group of countries namely, the Industrialized Countries and their adoption by the majority, which are principally the Developing Countries. This will mean the adoption of standards, which do not take account of the interests of Developing Countries. Concerns

were also expressed that the new law will affect the sovereignty of States, and further erode the flexibilities currently provided for under the TRIPS Agreement.

On our part, Guyana has advanced certain views as part of the Group of Latin American and Caribbean Countries (GRULAC). Our view is that the Patent Harmonization Agenda Document is not balanced. Since it tends to focus principally on the interests of patent holders. Further, the document, in our view does not deal with the issue of whether or not disclosure of the country of origin of genetic material or traditional knowledge and proof of prior informed consent in their acquisition would be required in the registration of a patent. These matters among others are very important issues for us as Developing Countries as we search for ways to implement the Convention on Biological Diversity.

As a Country with vast Bio Diversity, Guyana has a big stake in the issues at hand. Therefore a one-size fits all approach as proposed by the Patent Agenda could only bring disastrous consequences for intellectual property in our country.

We urge that the Patent Harmonization Agenda should ensure that the different interests and levels of development of the WIPO Members especially the Developing Countries are taken into account in drafting of the Patent Harmonization Agenda.

On the other hand, it is worth noting that the industrialized States have generally expressed their support and satisfaction with the work already done for the harmonization of patent laws through the Patent Harmonization Agenda. This comes as no surprise since their interests were to a greater extent catered for in the Patent Harmonization Agenda.

This development again emphasizes the need for Developing Countries to intensify the fight to ensure that their own issues are put on the table, forcefully articulated and reflected in any subsequent Agreement. This is more so because the setting up of a world patent system may mean the end of domestic patent policy normally used as a tool for national development.

The same applies to the debate, which is presently raging in the TRIPS Council on intellectual property protection and access to medicines for Developing Countries.

In November 2001, at the Fourth Ministerial Conference at Doha in Qatar, the Ministers produced a Declaration in which they stressed that it is important to interpret and implement the TRIPS Agreement in a way that supports public health by promoting both access to existing medicines and the cre-

ation of new medicines. In particular, they noted that compulsory licensing and parallel importing are tools available to Developing Countries under the TRIPS Agreement to enable them to deal with public health crises.

However the Ministers recognized that countries with little or no manufacturing capacity may face problems in making use of compulsory licensing and mandated the TRIPS Council to find an expeditious solution to this problem. The deadline for the TRIPS Council to find a solution and report back was December 31st 2002; however, this deadline was not met again because of a division that has emerged vis-à-vis the interests of both the Developing and Developed Countries.

Three possible solutions have been addressed to help resolve this problem. These are firstly; Member States agree not to initiate dispute settlement proceedings for an indefinite time against countries, which use compulsory licensing for products of the pharmaceutical sector either through a moratorium or through a waiver, in terms of the GATT. Secondly the use of an authoritative interpretation of Article 30 of the TRIPS Agreement to the effect that products of the pharmaceutical sector are excluded from patentability and lastly, an amendment of Article 31 of the TRIPS that would establish the circumstances under which a compulsory license could be used for products of the pharmaceutical sector.

Guyana's position as set out together with other Caricom Countries is that each of the solutions outlined above has a role to play depending on the circumstances of the health crises being faced. Therefore all should be made available if the full flexibility of the TRIPS Agreement is to be used to prevent intellectual property from obstructing the solution of public health crises.

Finally, I would like to point out that the implementation of the TRIPS Agreement has been costly to Developing Countries. We have had to make changes to both our national laws and structures involving a great deal of efforts and resources. However the cost has been even greater for small vulnerable economies such as our own in Guyana.

These problems have stemmed from the fact that we have limited capacity to implement the complex rules and procedures in the TRIPS Agreement. The Agreement provides that Developed Countries may upon request provide technical and financial cooperation to Developing Countries to assist in the implementation of the Agreement. However, because of the small size of our administrations and the complexity of the Agreement, we even experience difficulties in identifying our needs and requirements in order to make requests for

assistance. Further, because of the small size of our populations, we do not have the requisite manpower and institutional capacity to be able to establish domestic offices and relevant agencies or to train personnel to deal with these very important matters.

Because of these factors, a group of Small Vulnerable Economies which includes Guyana, Antigua and Barbuda, Barbados, Belize, Dominica, Fiji Islands, Grenada, Jamaica, Mauritius, Papua New Guinea, Solomon Islands, Suriname, Swaziland, Namibia, St Kitts and Nevis, Saint Lucia, St. Vincent, and the Grenadines and Trinidad and Tobago submitted a proposal which is to be tabled at the Special Session of the WTO's TRIPS Council.

The proposal states that it should be explicitly recognized that Small Vulnerable Economies may designate a regional body as the competent authority for the implementation of the relevant provisions of the TRIPS Agreement and that De-

veloped Country Members of the WTO shall provide technical and financial assistance for the establishment of such a body.

These are the issues at stake. These are the issues that will affect the future of our trade with other nations and the development of our country. These are the implications of intellectual property in today's world. As a small vulnerable developing state, Guyana has very limited options, but it is clear that in order to sustain a knowledge based economy in the globalization process, intellectual property would play a major role in releasing the creative potential of nations and in channeling that potential into tangible, sustainable development for the benefit of our people.

I wish your two-day Workshop every success.

I thank you.

CANADA-CARICOM CULTURE AND TRADE WORKSHOP

Mr. Gregory Downes, Assistant to Minister MOFTIC on WTO Issues

The Ministry of Cultural Heritage of Canada hosted the Canada-CARICOM Culture and Trade Workshop in Halifax, Nova Scotia, Canada from 24-25 March 2003. Trade and Culture officials from the following Caribbean countries attended the Workshop: Antigua and Barbuda, Anguilla, Barbados, British Virgin Island, Guyana, Grenada, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago. Representatives from the Caribbean Community (CARICOM) Secretariat and the University of the West Indies were also present. Guyana was represented by Mr. Gregory Downes of the Regional Negotiating Machinery (RNM) who is on assignment at the Ministry of Foreign Trade and International Co-operation and Mr. Raymond Cummings, Director, Research and Documentation Division, Ministry of Youth, Sports and Culture.

The primary objective of the workshop was to provide a platform for both trade and culture officials to converse on issues of mutual concern. Specifically focusing on how countries could preserve and promote their cultural diversity while concurrently adhering to the principles of globalisation and liberalisation. Given that this was the debut meeting of cultural and trade officials of the Caribbean region a considerable amount of time was exhausted explaining cultural and

trade jargons to trade and culture officials respectively.

Several issues were discussed at the workshop. These include: factors affecting the preservation and promotion of cultural diversity and the need to maintain policy space in trade agreements, particularly in the World Trade Organisation (WTO) and Free Trade Area of the Americas (FTAA) negotiations; the role of cultural policies from a developmental perspective; and the nexus between cultural and trade policies. The foremost concern among cultural officials is that, albeit new information technologies, globalisation and evolving trade liberalisation policies at all levels offer unquestionable opportunities for the expression of cultural diversity, they may also be detrimental with regard to cultural preservation. Consequently there is need to ensure that cultural diversity, as a factor of social cohesion and economic development is preserved. It is within this context that an International Instrument on Cultural Diversity (IICD), which inter alia seeks to set a framework through which members can preserve and promote its cultural diversity, is being proposed by Canada.

Generally, while Caribbean participants acknowledged the potential utility of an IICD, concerns were expressed with

regard to the extent such a facility will benefit the region, especially in light of the limited financial and human resources in the region to develop cultural industries. Concerns were also expressed with regards to, *inter alia*, the ambiguity surrounding what is regarded as cultural goods and services, and the trend towards the homogenisation of culture globally. Consequently, for the proposed IICD to be of benefit to the region it needs to take the peculiarities of, and issues germane to, the Caribbean on board.

At the end of the workshop Caribbean participants agreed to maintain contact with each other with a view to sharing relevant information on trade and culture that will enable officials to get a better appreciation of the trade-culture nexus. However, it is still imperative that culture and trade officials meet at the national and regional levels in a more formal setting to deliberate on the issues of concern to the Caribbean.

THE NATIONAL ADVISORY COMMITTEE ON EXTERNAL NEGOTIATIONS (NACEN)

The National Advisory Committee on External Negotiations (NACEN) of Guyana was established on September 1, 1997 following a decision of the Caribbean Community (CARICOM) Heads of Government in April 1997 to establish the Caribbean Regional Negotiating Machinery (CRNM). Simultaneously, the Heads also decided that all Member States should establish national committees to work with the CRNM. The NACEN, therefore, evolved out of a regional initiative to enhance CARICOM's coordination in and execution of its external trade negotiations, that is, at the WTO, the FTAA, and Lomé (ACP-EU) levels, so as to maximize the Region's chances of success in those negotiations.

The NACEN is an inter-agency group which is chaired at the Ministerial level and comprises high-level representation from government, private sector, labour and academia. The primary function of the NACEN is to coordinate Guyana's effective, informed and timely preparation for and participation in the various external trade negotiations.

It is in this regard that during the past quarter, several meetings of the NACEN were convened in preparation for Guyana's participation on the Trade Negotiations Committee (TNC) and Market Access meetings of the FTAA.

THE NATIONAL TRADE NEGOTIATIONS COMMITTEE (N-TNC)

A National Trade negotiations Committee (N-TNC) was established in February 2002 to operate at the technical level and to feed into the NACEN. The work of the N-TNC is assisted by several technical Working Groups (TWGs) that are subject-specific in their focus (eg. Agriculture, Intellectual Property Rights, Services, etc.). The TWGs are comprised of those public and private sector agencies which have a direct or specific interest in the subject

areas to be addressed.

Therefore, over the last quarter, meetings of the varying TWGs were convened. With respect to the TWG-Services, meetings were convened to assist in the preparation of Guyana's offers to and requests of other WTO Members, vis-à-vis the further liberalisation of the services sector.

<http://www.moftic.gov.gy>

The Ministry of Foreign Trade and International Cooperation recently established its website whose address is: <http://www.moftic.gov.gy>. The site provides valuable information on economic and trade related issues at the national, regional and multilateral levels.

On this website there are linkages to government agencies such as Ministry of Agriculture, Ministry of Foreign Affairs, Ministry of Tourism, Industry and Commerce, and Guyana Sugar Cooperation (GUYSUCO), Guyana Revenue Authority (GRA) along with Regional and Multilateral Organizations.

It also provides links to the following regional Organizations:-

- ❖ [CARICOM \(Caribbean Community\)](#)
- ❖ [FTAA \(Free Trade Area of the Americas\)](#)
- ❖ [ECLAC \(Economic Commission for Latin America and the Caribbean\)](#)
- ❖ [CDB \(Caribbean Development Bank\)](#)
- ❖ [SELA \(Latin American Economic System\)](#)
- ❖ [IADB \(Inter-American Development Bank\)](#)

In addition it provides links to multilateral websites such as the World Trade Organization (WTO), International Monetary Fund (IMF), World Bank (WB), World Intellectual Property Rights (WIPO), ACP-EU (African Caribbean Pacific-European Union), International Center for Trade and Sustainable Development (ICTSD), European Center for Development Policy Management (ECDPM), South-Centre for developing Countries, Overseas Development Institute – United Kingdom (ODI-UK) and The Commonwealth Organization.

MOFTIC's site is designed to be used by importers and exporters as a channel of doing business with Guyana and it provides information on Trade Agreements of which Guyana is a party, in addition to accessing links to export/import market information from all over the world.

Very soon, this site will be affording you access to "MOFTIC Digest" and " Review of Guyana's Foreign Trade 2001/2002"

Any comments and/or suggestions should be forwarded to admin@moftic.gov.gy



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Last modified: 03/28/2003