CARIFORUM-EU Negotiations for Economic Partnership Agreement (EPA)


The Caribbean region - CARIFORUM - is the fourth regional grouping to launch Phase II negotiations with the EC. The other regional groupings include the Economic Community of West African States (ECOWAS), the Southern African Development Community (SADC), and Central Africa.


During the First Phase of the negotiations - referred to as the ALL-ACP Phase - the two sides addressed matters of common concern to the ACP, as a whole. This phase concluded with a Joint Report by the two sides. There are a number of concerns that remain unresolved at the ALL-ACP level, which the ACP will continue to pursue with the EC.

At the conclusion of the CARIFORUM-EU EPA launch, the First Joint EPA Ministerial Negotiating Meeting was convened. The EC and CARIFORUM agreed on the following schedule for the negotiations, which will proceed in four phases:
CARIFORUM-EU NEGOTIATIONS FOR ECONOMIC PARTNERSHIP AGREEMENT (EPA)

From Page 1

**Initial Phase:** Establishing the Priorities of EPA Negotiations (April 2004 to September 2004) - designed to establish an understanding of both parties’ core concerns and interests;

**Second Phase:** Convergence on a strategic approach to CARIFORUM regional integration (September 2004 to September 2005) - aimed at establishing a common understanding on the priorities for support of Caribbean regional integration, and the targets to be attained by the time of the commencement of implementation and beyond;

**Third Phase:** Structuring and consolidating of EPA negotiations (September 2005 to December 2006) - focusing on consolidating the discussions and channelling the points of common understanding into elements of a draft EPA; and

**Final Phase:** Finalisation (January 2007 to December 2007) - negotiations during this final phase should concentrate on consolidating the results of the negotiations and completing the EPA negotiations by the end of 2007.

The CARIFORUM launch was a historical event, which underscored the long-standing friendship, political cooperation, shared history and economic cooperation between the ACP and the EU.

The CARIFORUM-EU EPA will build on the past twenty-five years of economic cooperation, under the successive Lomé arrangements, and establish a framework, which will “blend the elements of continuity and change”, i.e., from Lomé to Cotonou, in keeping with the provisions of the Cotonou Agreement.

Further, it is expected that the CARIFORUM-EU EPA will be supportive and consistent with the integrity of the regional integration process - the CARICOM Single Market and Economy (CSME) - and address the production and supply capacity concerns of the region.

In keeping with the agreed schedule for the negotiations, the CARIFORUM-EU EPA is expected to become effective on January 1, 2008.

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ENLARGEMENT OF THE EUROPEAN UNION (EU)

On May 1, 2004, ten (10) countries became members of the European Union. These countries are Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic and Slovenia. Membership of the European Community now stands at twenty-five, which makes it the largest integration group.

The ten (10) new members will join the existing fifteen (15) member states in applying the EU’s Common Commercial Policy, including the Common External Tariff (CET), the EU Preferential Trade Agreements, World Trade Organisation (WTO) Commitments and the EU Trade Defence Measures. They will also adopt the EU’s internal market rules and the provisions of the Treaty of Rome.

The EU is now the world’s third largest territorial unit, with approximately 450 million inhabitants, that will speak with a single voice and be governed by a single trade regime.

Trade measures applicable in the EU-15 will be extended automatically to the new members, while existing measures in these member states will disappear.

Third world countries should be able to have access to the enlarged markets of the EU, with tariffs coming down by 3-4%.
The World Trade Organisation (WTO) on March 29-30, 2004, hosted a Workshop on Domestic Regulations, in Geneva, Switzerland. Participants in the Workshop were drawn from countries in Africa, Asia, North, South and Central America, the Pacific and the Caribbean. Guyana was represented at this Workshop by Ms. Yojna Hernandez, Foreign Trade Officer.

The purpose of the Workshop was to bring together and inform regulators, trade negotiators, and other relevant officials of the background and progress to date of the work taking place in the Working Party on Domestic Regulation (WPDR), as well as, pertinent issues raised in negotiating proposals. Discussions at the Workshop were focused exclusively on the technical and legal aspects of domestic regulation.

Presentations were made on Transparency and Domestic Regulation; the GATS and “Necessity”; and Equivalence, International Standards and the GATS.

The wider applicability of the Accountancy Disciplines was also examined by the Workshop. The Disciplines on Domestic Regulation in the Accountancy Sector, after agreement had been reached within the Working Party on Professional Services (WPPS), were adopted by the Council for Trade in Services on December 14, and subsequently issued as WTO document S/L/64, dated December 17, 1998.

The disciplines are divided into eight sections, viz. Objectives, General Provisions, Transparency (five measures), Licensing Requirements (six measures), Licensing Procedures (five measures), Qualification Requirements (three measures), Qualification Procedures (three measures) and Technical Standards (two measures).

While the accountancy disciplines in their current form are quite simple, they do address the most fundamental means by which trade in accountancy (or other professional services) could be obstructed.

In this regard, they serve as an indicator to other services sectors that the WTO is at some point likely to address their regulatory barriers, as well.

The Workshop was informed that the disciplines are also well-suited to serve as the foundation for the subsequent development of horizontally applicable disciplines for professional services as a whole, as well as, for the development of more specific sectoral measures.

Presentations were also made on the applicability of the Accountancy Disciplines to legal services, architectural services, and the nursing profession.

At the conclusion of the Workshop, it was the general feeling that the accountancy disciplines, in their current state, cannot be applied to other services sectors but that some degree of modification is necessary.

Mr. Rufus Yerxa, Deputy Director-General, WTO, in his concluding remarks expressed the hope that the views expressed during the Workshop, will be taken into consideration by the Working Party on Domestic Regulation during its deliberations.
DISPUTE SETTLEMENT AND THE WORLD TRADE ORGANISATION (WTO)

The Dispute Settlement Understanding (DSU) of the World Trade Organization (WTO) is often described as being at the core of the multilateral rules-based trading system. This description is apt, because without a transparent legal framework for solving disputes which may arise in the course of implementing WTO agreements, anarchy would break out in international trade.

The near smooth flow of trade enjoyed by countries today would be disrupted, since aggrieved parties would have no choice but to resort to unilateral means, such as war and sanctions, or beggar thy neighbour tactics, in order to enforce their rights.

Since in trade relations, as in all relations, disputes are inevitable, the DSU ensures that when these disputes do arise, they are resolved peacefully through the use of rules. It gives all one hundred and forty-seven (147) members of the WTO, confidence that the agreements negotiated and agreed will be respected. It does not impose new obligations, but it does enforce those already agreed.

**What is the Dispute Settlement Understanding?**

The Dispute Settlement Understanding (DSU) is the Agreement of the World Trade Organization (WTO), which deals with the settlement of disputes. The Agreement’s full title is the Understanding on Rules and Procedures Governing the Settlement of Disputes. It is Annex 2 to the WTO Agreement.

The DSU was inherited from the GATT 1947, which was the predecessor organization to the WTO. These origins are part of the reason why the DSU has worked so well, over the years. It is largely the result of a system which evolved and was refined over the fifty-odd years of the existence of the GATT. The DSU has, in fact, evolved from being the diplomatic forum it was under the GATT to a more judicial system.

**The Bodies of the DSU**

The DSU is administered by the Dispute Settlement Body (DSB). The DSB is comprised of representatives from all the WTO members. The DSB establishes a Panel, which adjudicates on disputes when mutual consultations fail to produce a resolution. A new panel is appointed for each dispute, and usually comprises between 3-5 persons.

The Appellate Body, on the other hand, is a permanent body of seven persons who are tasked with reviewing the legal aspects of the reports issued by Panels. This body is the final stage of the adjudicatory part of the DSU. The role of the WTO Secretariat is to facilitate the workings of these bodies.

**The Process of the DSU**

Typically, a trade dispute arises when a member of the WTO adopts a trade policy measure, which one or more of the other members consider to be inconsistent with the obligations which are set out in the WTO Agreements. The aggrieved member, or complainant, is then entitled to set in motion, the wheels of the DSU in order to challenge the measure under dispute.

The provisions of the DSU allows for disputes to be settled in one of two ways - through consultation or by adjudication. Thus, the parties in a dispute can

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1 Beggar- Thy-Neighbour Policies are economic measures taken by one country to improve its domestic economic conditions (normally to reduce employment), which have adverse effects on other economies. The benefit which it attains is at the expense of some other country which experiences lower exports or increased imports and a consequent lower level of employment. Such a country may then be forced to retaliate with a similar measure.
either find a mutually satisfactory solution during the bilateral consultation stage or, alternatively, the dispute can be resolved by adjudication.

The adjudication process includes the subsequent implementation of the Panel and the Appellate Body Reports, both of which are binding upon the parties once they have been adopted by the Dispute Settlement Body. Adjudication also involves the possibility of countermeasures being applied, in the event of non-compliance by the losing party with the ruling on a dispute.

? Consultation Stage

Article 4 of the DSU provides for bilateral consultations between the parties to a dispute. This is the first stage of dispute settlement. Its stated objective is to give the parties the opportunity to discuss the matter, and find a satisfactory solution without resorting to litigation.

Since the inception of the WTO on January 01, 1995 to January 2004, some 305 requests for consultations were made. However, the majority of these disputes did not proceed beyond the consultation stage. This is because either a satisfactory solution was found or because the complainant decided, for one reason or another, not to pursue the matter further. The statistics, therefore, seem to suggest that consultation is the most effective way of resolving disputes, and that adjudication and enforcement are not always necessary.

Article 4.7 provides that if within 60 days the parties fail to find a satisfactory solution, the complainant may then request for adjudication by way of a Panel. The complainant can also request the establishment of a Panel earlier than the stipulated 60 days, if the respondent fails to respond within the deadlines set out for consultations, or if the parties jointly consider that consultations have failed to settle the dispute. The request for the establishment of a panel initiates the phase of adjudication.

? Panel Stage

The DSB establishes the Panel pursuant to Article 8.9 of the DSU. Once established and composed, it commences its work by setting a timetable and begins to receive written submissions. It later hears the oral submissions of the parties, deliberates on the issues, before preparing the Panel Report.

The Panel Report contains the findings and conclusions of the panel, as well as, its recommendations for implementation. It is first circulated to the parties to the dispute, and then to all the members of the WTO.

The Panel Report becomes binding once it has been adopted by the DSB. Article 16.4 provides that the report must be adopted no earlier than 20 days, but no later than 60, after the date of its circulation to the members, unless a party to the dispute formally notifies the DSB of its decision to appeal, or the DSB decides, by consensus, not to adopt it.

? Appellate Body Stage

If any one of the parties decides to appeal the decision of the Panel, the dispute is referred to the Appellate Body. The Panel Report cannot then be adopted. The Appellant Body must notify the DSB of its decision to appeal, before the adoption of the Panel Report. The content of an appeal is limited to legal questions only. An appeal cannot address factual issues by requesting the examination of new factual evidence, or by re-examining existing evidence.

The Appellate Body proceeds as is set out in Articles 17 to 19 of the DSU. It receives written submissions from the parties. The party appealing
makes a submission setting out its grounds for the appeal, to which the other party responds.

The parties are later given an opportunity to make oral submissions at the hearings, following which the Appellate Body drafts its report. This report is circulated first to the parties to the dispute, and then to the WTO members. The report will contain its findings and recommendations as to implementation of the findings.

The DSB must adopt, and the parties to the dispute must accept, unconditionally, the report of the Appellate Body, unless the DSB decides by consensus not to adopt it.

### Implementation Stage

Once the DSB has adopted the Panel and Appellate Body Reports, the DSB will address the recommendations contained in them, to the losing party. The losing party is requested to bring its measures into compliance with the WTO Agreements or to find a mutually satisfactory adjustment.

Article 37 of the DSU provides that in the absence of a mutually agreed solution, the first objective is to secure the withdrawal of the measures found to be inconsistent with the WTO Agreements. The DSB is responsible for supervising the implementation of the Panel and Appellate Body Reports. Within 30 days after the adoption of the reports, the losing party must inform the DSB of its intentions to implement the recommendations.

### Non-Implementation

If the losing party fails to bring its measures into compliance within the specified time periods, the winning party can resort to either compensation or sanctions. Compensation is agreed to between the parties. It is not a monetary payment but rather a tariff reduction, which should be equivalent to the benefit, which the losing party has nullified or impaired by the application of the measure.

If within the set time limits, the parties fail to agree on satisfactory compensation, the winning party can then approach the DSB and ask for permission to impose trade sanctions. These trade sanctions, or retaliation as they are also called, are the final and most serious consequences that a non-implementing party can face, and their objective is to rebalance trade benefits.

### Special Features of the DSU

There are certain important features of the DSU which need special mention.

The first is the participation of third parties in the dispute settlement process. A WTO member, which is neither the complainant nor the respondent, may have an interest in the matter which the parties to a dispute are debating.

At the consultation stage, such a third party may request to be included in the process if it can prove that it has a “substantial trade interest” in the matter - not just a substantial interest. Because consultations are meant to give the parties an opportunity to negotiate a solution before formal litigation commences, the DSU raises the bar for third party participation by requiring that they have a “substantial trade interest”.

If the dispute goes to the panel stage, a request can be made for participation as a third party, providing that the third party can prove that it has a substantial interest. At this stage, and if necessary, third parties can request participation in the
Appellate Body stage.

Third party status is very important. For instance, it enables a country, which may be affected by a dispute, to bring its views to the table. This participation is very important in the context of developing countries, which sometimes find that in trade disputes between the bigger economies, their own economies may suffer collateral damage.

Another special feature of the DSU, as it relates to third party status, is that of locus standi or which non-member of the WTO is competent to bring claims at the DSU.

Only member governments of the WTO can take part in dispute settlement either as parties or third parties. Private individuals and companies, other international organizations, and non-governmental organizations, cannot do so.

However, in practice since these actors often have an interest in the trade issues at stake, they often exert pressure on their government, behind the scenes, with respect to the triggering of a dispute.

There are also special considerations set out in the interest of developing and least developed countries (LDCs). The existence of the DSU is beneficial to these countries, since all countries are treated equally based on rules, rather than economic power. However, developing countries still face difficulties. These have been ameliorated, somewhat, by measures which are called special and differential treatment (SDT) for lesser developed countries.

Since 1995, developing countries have been complainants in one-third of all cases and respondents in two-fifths. In addition, many have served as third party participants in disputes, which, no doubt, is a valuable experience for those countries which are not regularly involved in DSU proceedings.

The DSU has strict time limits for the passing of a dispute through the system. There are various timelines set throughout the agreement. In particular, Article 12.9 provides that the period from the establishment of the panel to the circulation of the report should, in no case, exceed 9 months. In practice, though, most panel proceedings take an average of 12 months.

CARICOM and Guyana and the DSU

CARICOM member states have not been very active participants in the DSU. This may be explained by the fact that these countries are not major participants in the world trading system. CARICOM accounts for a very small percentage of all global trade.

Thus, the likelihood of trade disputes arising between CARICOM member states and other regions or countries is minimal. Moreover, trade disputes which may arise may be resolved using the mechanisms provided for in the Revised Treaty of Chaguaramas, which is the treaty establishing the CARICOM Single Market and Economy.

Most of CARICOM’s trade is carried out under preferential arrangements with the United States of America, the European Union (EU) and Canada. For this reason, most countries would be reluctant to ‘bite the hand that feeds them’ even if there may be sufficient grounds for launching a trade dispute.

In the event that a CARICOM country considers launching a dispute at the WTO, it may be daunted by the cost and the complexity of the proceedings.
To date, only Trinidad and Tobago and Antigua and Barbuda have participated as complainants or respondents in matters brought to the DSU. Trinidad and Tobago had two requests brought against it by Costa Rica for its measures concerning its pasta industry. The matter, however, did not proceed beyond the consultation stage.

However, the case brought by Antigua and Barbuda against the USA in March 2003, concerning their measures affecting the gambling industry of Antigua and Barbuda, was very significant and groundbreaking. It was the first time in WTO history that a small state took on the might of one of the larger economies. The initial panel report issued in March 2004, gave the victory on the matter to Antigua. The USA has indicated that they intend to appeal the ruling.

Some CARICOM countries participated as third parties in the famous Banana Dispute, which involved the EU and Mexico, Guatemala, Honduras and Panama. In the current Sugar Dispute, again involving the EU and Australia, Brazil and Thailand, Guyana is participating as a third party specifically because of Guyana’s substantial trade interest in the dispute. The complainants are challenging the subsidies, which the EU gives to its sugar industry as being illegal under the WTO rules. They assert that these subsidies have the effect of depressing the prices for the sugar produced in their own countries.

Guyana together with other African, Caribbean and Pacific (ACP) countries, which have preferential access to the EU markets under the EU-ACP Agreements, requested and were granted third party status at both the consultation and panel stages.

A win for the complainants will mean that the prices for their own sugar, which they sell to the EU, will drop. Guyana’s economy will, no doubt, suffer serious collateral damage.

**Conclusion**

The DSU has been very pivotal to the success of the WTO trading system in the first ten year of its existence. However, much needs to be done to improve the participation of developing countries, not just in the DSU, but also in the world trading system as a whole.

Participation or non-participation in the DSU is an excellent gauge of the degree of integration of a country into the world trading system, and those countries which are marginal participants are marginal traders. Marginal trading means smaller incomes with all the resultant effects on a country’s development.
**BILATERAL COOPERATION**

**CUBA**

**Guyana/ Cuba Joint Commission**

The Twenty-Second Session of the Guyana/ Cuba Joint Commission was convened in Georgetown, from March 22-24, 2004.

This session of the Joint Commission reviewed the progress of the work programme of the Twenty-First Session, which was held in Havana, Cuba, in November 2001.

The areas of specific focus were the Health and Education. New initiatives for the intensification of technical and other forms of cooperation for the ensuing Work Programme - 2004-2006 - were identified. The projects that formed part of this work programme are the provision of experts to promote cultural cooperation, and post-graduate training for the Health and Education sectors.

The agencies that participated in the Twenty-Second Session of the Guyana/ Cuba Joint Commission were the Ministries of Health; Education; Agriculture; Fisheries, Crops and Livestock; Culture, Youth and Sports; Foreign Affairs; Finance; and Public Service; the Office of the President, the Guyana Office for Investment, as well as, the Private Sector Community.

The formal opening session of the Joint Commission took place in the Main Conference Room, Takuba Lodge, on Monday, March 22, 2004, when the leaders of both delegations - Honourable Clement J. Rohee, Minister of Foreign Trade and International Cooperation and His Excellency Ricardo Cabrisas Ruiz, Minister of Government within the Office of the President, Republic of Cuba - mapped out guidelines for cooperation over the next two years.

During the deliberations, emphasis was placed on the medical component of the work programme. Guyana has been benefiting significantly from the presence of a Cuban Medical Brigade in Guyana, in addition to other technical expertise.

In 2003, Guyana and Cuba concluded three agreements, which were aimed at intensifying trade and commercial cooperation. These agreements are:

1. Agreement Establishing the Guyana/ Cuba Joint Business Development Council;
2. Memorandum of Understanding on Trade between the Republic of Guyana and the Republic of Cuba;
3. Agreement of Collaboration between the Guyana Office for Investment and the Centre for Export Promotion of Cuba.

These areas also received some attention during the Joint Commission meeting.

The unimplemented projects of the Twenty-First Session of the Joint Commission were incorporated into the 2004-2006 Work Programme.

Guyana and Cuba have witnessed a diversification and intensification of cooperation programmes, since the establishment of diplomatic ties in 1972.
**INDIA**

**Guyana/ India Joint Commission**

Consultations for the convening of the Fourth Session of the Guyana/ India Joint Commission are continuing. It is expected that the Joint Commission meeting will be convened during the third quarter of 2004.

**Demonstrative Vehicle**

The Demonstrative vehicle which was handed over to the Government of Guyana in 2003, is now in the possession of the National Agricultural Research Institute (NARI).

Two Indian experts are expected to be deputed to Guyana, to provide training in the use and maintenance of the vehicle.

A work plan for the experts has been compiled by NARI. NARI is expected to identify new dates for the visit of the experts.

The demonstrative vehicle is to be used to provide training in preservation of agricultural products.

**Solar Photo Voltaic Water Pumps**

Further to the signing of a Memorandum of Understanding (MOU) on November 6, 2003, to facilitate the supply of five solar photo voltaic water pump systems by India to Guyana, a Guyanese official is expected to undergo training for the installation of the water pump systems, shortly.

The pumps are expected to arrive in Guyana in May 2004.

**Indian Technical and Economic Cooperation Programme (ITEC)**

The number of Indian experts presently in Guyana under the ITEC Programme was increased from six to eight with the recent arrival of Mr. P. Maholtra, Legal Expert and Mr. P. S. Narotra, Information Technologist. Both experts are attached to the Ministry of Foreign Affairs.

**RUSSIAN FEDERATION**

A meeting was convened between officials of the Ministry of Foreign Trade and International Cooperation and the Russian Counsellor, Mr. Maxim V. Pimenov, to assess the progress on cooperation between the two countries.

An Agreement of Cooperation between the Chambers of Commerce of Guyana and Russia is currently under consideration by the Georgetown Chamber of Commerce (GCC). This agreement is expected to expand and improve mutually beneficial commercial, economic, scientific and technological ties between business entities in Russia and Guyana.

**CARIFORUM**

Guyana has been a beneficiary of the Caribbean Forum (CARIFORUM) since its formulation. The European Commission assists the member states of CARIFORUM with financial aid through an Economic Development Fund (EDF) Programme.

The EDF Programmes have produced enormous benefits for Guyana and other members of the Caribbean Community.
The Competitiveness of the Rice Sector

CARIFORUM and the European Union (EU) signed an agreement on December 17, 2003, to improve the competitiveness of the CARIFORUM Rice Industry. Guyana stands to benefit from approximately €12 million of the €24 million, earmarked for this project. Under the Rice Sector Program, Guyana is expected to be able to effectively access and compete in markets, both regionally and internationally. The Ministry of Agriculture is the implementing agency for this project.

Regional Radar Weather Warning System

CARIFORUM and the European Union (EU) signed an agreement in the sum of €13.2 million (G$3 billion), for a Regional Radar Weather Warning System. The Radar Weather Warning System is expected to promote greater co-operation and the sharing of information in the Region, and should thereby help reduce the extent of damage suffered by the people of the Caribbean from natural disasters.

Thirteenth Meeting of Ministers of CARIFORUM and Joint European Commission Meeting

The Thirteenth Meeting of Ministers of CARIFORUM and Joint European Commission, was held in Suriname during the period March 15-19, 2004, at which the Minister of Foreign Trade and International Cooperation, Hon. Clement J. Rohee represented Guyana.

The meeting’s discussions centered on future agreements and arrangements requiring urgent policy direction from Ministers of CARIFORUM, such as the convening of the proposed meetings with a view to ensuring timely notification to the European Commission and the implementation of programmes under the 9th EDF.

Caribbean Regional Workshop for ACP National and Regional Authorizing Officers

A Caribbean Regional Workshop for ACP National and Regional Authorizing Officers, Non-State Actors, Head of Delegations and EC Officials and Representatives of the European Investment Bank (EIB), was convened during the period March 19-23, 2004, in Paramaribo, Suriname.

The Workshop, organized and sponsored by the ACP Secretariat and the European Commission, focused on crucial issues regarding the implementation of the Cotonou Agreement, with a view to enhancing the impact of sustainable development of the ACP States.

Guyana was represented by a delegation comprising Mrs. Michelle Nicholas-Brisport, Foreign Trade Officer, Ministry of Foreign Trade and International Cooperation, Mr. Leslie Glen, Director of Operations, Bank of Guyana, and Mr. Mark Harris, member of the Georgetown Chamber of Commerce.

COLOMBIA

Guyana/Colombia Programme of Technical and Economic Cooperation Proposed Review Meeting

The Government of Guyana, through the Ministry of Foreign Trade and International Cooperation, is currently in consultation with officials in Bogotá, Colombia, with a view to ascertaining possible dates to convene a Joint Review Meeting, during the third quarter of 2004.

The Review Meeting is being convened mainly to discuss several pipeline projects that have been in abeyance, as well as, formulating new areas of cooperation.
New Chinese Medical Protocol and the Construction Contract for the Guyana International Conference Centre (GICC)


Guyana International Conference Centre (GICC)

The Construction Contract for the Guyana International Conference Centre (GICC) was signed by Mr. Kenneth Jordan, Permanent Secretary of the Ministry of Public Works and Communications and Mr. Zhao Zhongning, General Manager of the Foreign Aid Section of China Civil Engineering Construction Corporation (CCECC).

The International Conference Centre will be constructed adjacent to the new CARICOM Secretariat Headquarters, Liliendaal. The centre will provide state-of-the-art conference support facilities for meetings being hosted by the Government of Guyana, the CARICOM Secretariat, as well as local, regional and international organizations. The construction of the GICC will be funded through Grant Aid provided by the Chinese Government. The project symbolizes the strong relations existing between Guyana and China.

Chinese Medical Protocol

At the signing of the construction contract for the Guyana International Conference Centre (GICC), the opportunity was taken by the Hon. Clement J. Rohee, Minister of Foreign Trade and International Cooperation and His Excellency Song Tao, Ambassador of the People’s Republic of China to Guyana, to conclude the Fourth Guyana-China Medical Protocol. The Protocol aims to facilitate continuous medical cooperation between the two countries.

Under the new Protocol, the Government of Guyana is expected to benefit from a 15-member Medical Team (the sixth batch). The Chinese medical personnel will be attached to the Georgetown Public Hospital and Linden Hospital Complex. China has been lending this type of assistance to Guyana since 1993.
Technical Cooperation for Developing Countries

The Government of China has invited Guyana to participate in thirty-nine training courses - in the fields of technology, agriculture, health - for the year 2004/2005. The Public Service Ministry is currently pursuing this initiative.

SOUTH KOREA

The Government of South Korea has invited Guyana to participate in two training courses for the year 2004/2005. The Public Service Ministry is also currently pursuing this initiative.
Organization of American States (OAS)

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 2004 was awarded scholarships for individuals to pursue advance studies overseas, under the OAS Graduate and Undergraduate Scholarship programmes. Local agencies are being encouraged by the OAS to participate in workshops and seminars, which are usually fully funded, since these can contribute to the development of both the Public and Private Sectors.

The Inter-American Agency for Cooperation and Development of the OAS, invited the Government of Guyana to submit five project concepts for the OAS/FEMCIDI Programming process that addresses issues on the National Agenda. The following are some project concepts which were submitted by various Ministries:

1. Guyana/ OAS Programme for Crime Prevention, Public Safety and Security - this concept seeks to establish a mechanism for the prevention of crime and for the promotion of public safety and security

2. Development and use of Independent Study Materials in Science - the goal of this concept is to increase the number of students, both in and out of school, who obtain passes in Science at the Caribbean Secondary Education Certificate (CSEC)

3. The Development of a Jonestown Museum - this concept addresses the need to establish a memorial that could serve as a stimulus for dispassionate historical investigation of the events surrounding the Jonestown tragedy

4. Strengthening Knowledge Networks in the Caribbean for Sustainable Development - this concept envisages that the project would build upon existing infrastructure and address current international, as well as, regional imperatives that are already structured for action

5. Computerization of Students’ Records - this concept focuses on the establishment of a system for the computerization of University Students’ Records.

6. Development of Local Areas Networks (LAN) in each University Section in Readiness for a Campus Area-Wide Network - this concept seeks to enhance the delivery of tertiary education by the University of Guyana, through campus-wide technological connectivity, which will support greater efficiency, transparency, and flexibility

7. Building Capacity in the Education Sector in Guyana for Sustainable Human Development and Enhancing the Quality and Scope of Teacher Education at the University of Guyana - the concept of this project seeks to expand the scope of teacher training to build capacity in the area of special education needs
8. A New Economy through Higher and Continuing Education Development – the concept of this project seeks to enhance Guyana’s capacity for social and economic development and the alleviation of poverty, in particular, by widening access to University education and relevant, functional training for the wider community.

9. Library Automation and Security at the University of Guyana – the concept of this proposal seeks to:

a) Provide a modern information service to satisfy the needs and expectations of the library’s intra-mural and extra-mural clientele in a more effective and efficient manner

b) To enhance the resources available to patrons, including off-campus researchers, through on-line access to the repertoire of information resources available from external computerized databases

VOLUNTARY SERVICE OVERSEAS (VSO)

In the first quarter of 2004, the Department of International Cooperation continued to facilitate requests by various Ministries, for Voluntary Service Overseas (VSO) volunteers.

The present agreement between VSO and the Government of Guyana will expire on May 18, 2004. Consultations have commenced with VSO to evaluate the current MOU, and to engage in preliminary discussions on a proposed Country Strategic Plan (CSP) for 2004-2008. The established theme for the period is ‘Strengthening Guyana’s Decentralization Process by Supporting the Building of Local Capacity of Regionally-focused Organizations and Institutions’.

The Proposed CSP for 2004-2008 targets three programme areas: disability, education and secure livelihoods. The identified programmes are in keeping with Guyana’s National Agenda. They are, therefore, expected to produce tremendous benefits for the people of Guyana.

1. The assignment of a Legal Draftsperson - requested by the Ministry of Legal Affairs

2. The convening of a Workshop on Organic Agriculture - requested by the University of Guyana

3. The assignment of a Monitor and Evaluation Specialist – requested by the Ministry of Agriculture
ECONOMIC COMMISSION FOR LATIN AMERICAN AND THE CARIBBEAN (ECLAC)

The Ministry of Foreign Trade and International Cooperation is in active consultations with the Economic Commission for Latin America and the Caribbean (ECLAC), for assistance in the development of a strategic plan for the Department of International Cooperation. This is with a view of identifying resources, both traditional and non-traditional, for technical assistance.


His Excellency Ricardo Cabrisas,
Minister of Government within the Office of the President,
Republic of Cuba,
Members of the Cuban Delegation,
Ministerial colleagues,
Special Invitees, Ladies and Gentlemen of the Media,

Permit me to welcome the distinguished Cuban delegation led by Minister Ricardo Cabrisas to Guyana. Some of the members of your delegation are familiar with Guyana’s national aspirations, having visited on several occasions over the past three decades.

From our perspective, Cuba is recognized as a friend and brother of CARICOM member states. Our recent deliberations in Paramaribo at the Thirteenth Meeting of Ministers of CARIFORUM, as well as, in the wider international community, such as the African Caribbean and Pacific (ACP) and the World Trade Organisation (WTO), attest to this fact.

Guyana and Cuba are committed to the modality of technical and economic cooperation, which is supportive of our efforts and strategies to achieve economic growth, and improve the quality of life in our countries. Our efforts are even more relevant and appropriate in an unstable and unpredictable political and economic international climate.

We have to intensify our efforts at achieving a more humane and global economic order. We must search for new and constructive initiatives to buttress our trade and economic objectives.

Last year we concluded two sets of instruments, which aim at promoting trade and economic cooperation. These instruments are expected to serve as incentives for our respective business communities. It is my expectation that your officials and mine would take the opportunity, while in Guyana, to explore possibilities for implementing these agreements.
In 2001, when we met at Havana, we set ourselves a practical Work Programme with specific target dates for implementation. We have achieved a modest rate of implementation of these objectives.

Some of these targets are to be carried over to the new work programme. I would like us to seize the opportunity and place fresh impetus on a new programme of cooperation, so that at the Twenty-Third Session we could boast a more rapid rate of implementation.

One of the major challenges of our cooperation efforts has been the mobilization of human and financial resources, to ensure the successful implementation of many elements of our joint work programme. We have agreed that we will embark on a new and innovative modality to overcome this hurdle.

I am confident that, having regard to our commitment to the Millennium Development Goals and South/South Cooperation, we shall achieve much success guided by these two lofty objectives.

Guyana continues to reap numerous benefits in its efforts to deliver quality health care to our people. It would be no exaggeration to say, thanks to the provision of medical doctors and specialists from Cuba under the aegis of the Joint Commission, our health system has performed creditably much to the satisfaction of the Guyanese people.

Moreover, the presence of over two hundred Guyanese students in Cuba attests to the revolutionary generosity of the Cuban Government and people, towards our country.

The realization of the Twenty-Second Session of the Guyana/Cuba Joint Commission will mark another significant milestone in our relations with the Republic of Cuba. I have no doubt that this Joint Commission will contribute enormously to the strengthening and deepening of relations between Guyana and Cuba.

On behalf of the Government of Guyana, I wish to express sincere appreciation and salute the long history of friendship and fruitful bilateral relations that Guyana and Cuba have shared, since the establishment of diplomatic ties in 1972.

It is my hope that my colleague and friend, Minister Cabrisas, will seize the opportunity during this meeting of the Joint Commission to visit industrial and other production enterprises, which can play a major role in promoting the enhancement of mutually beneficial relations between our countries.

Thank you.

March 22, 2004
Georgetown, Guyana
At our Special Meeting of COTED on External Economic Negotiations held in Castries, St. Lucia in November 2003, I presented a paper titled:

“The Caribbean Agenda for Reviving the Global Round in Multilateral Trade Negotiations”

In my submission, I advanced eight (8) political points for Ministers’ consideration. I also posed five (5) questions concerning the ‘Derbez Text’, as well as, another five (5) points with respect to the Singapore Issues.

On the question of WTO Institutional Reforms, five (5) proposals were submitted for consideration. On the subject of reviving the negotiations, I advanced a raft of recommendations - twenty-two in number - which I suggested could form the basis of a Caribbean Agenda.

I am happy to see that we will be discussing some of those very questions at this important Strategy Session.

At St. Lucia, Ministers had agreed that in light of the impending December 15, 2003 Meeting of the WTO General Council and the fact that countries and regions were actively seeking to mainstream their positions and to influence the outcome of that Meeting, the Caribbean should not be found wanting in such matters.

It was in this background that Caribbean Ministers and Officials met on November 28, 2003 in Georgetown, Guyana, with the Director-General of the World Trade Organization (WTO), Dr. Supachai Panitchpakdi, and Luis Ernesto Derbez, Minister of Foreign Affairs of Mexico and former Chairman of the Cancun Ministerial Conference.

Due to preoccupation with other external commitments, there was poor Ministerial representation at the meeting. Only Barbados, St. Vincent and the Grenadines and Guyana were present at the Ministerial level. Most Member States were represented at the level of Officials.

The Caribbean Regional Negotiating Machinery (CRNM) and the CARICOM Secretariat sent high-level delegations. An oversight was made in not inviting the OECS Secretariat. This is to be regretted.

These circumstances, notwithstanding, the meeting was successful in many respects. Above all, it allowed the Caribbean to share with the Director-General, WTO and Minister Derbez, their views, albeit provisional, concerning events at Cancun and the immediate future of the WTO and the Doha Round of negotiations, having regard to the “Category One Issues” advanced by the Caribbean.

Caribbean Trade Ministers, having benefited from the Meeting at St. Lucia, articulated their position on the Derbez text and shared with the WTO delegation their initial thoughts on the state of negotiations since Cancun.

At the conclusion of this encounter, Caribbean Ministers concluded, as follows:

THE DOHA ROUND - AN OVERVIEW AND THE WAY FORWARD
A CONTRIBUTION TO THE 16TH COTED STRATEGY SESSION
BY THE HON. CLEMENT J. ROHEE,
MINISTER OF FOREIGN TRADE AND INTERNATIONAL COOPERATION
ON THE SINGAPORE ISSUES

The Singapore Issues should be considered only after the resolution of core issues in negotiations already in progress, especially in Agriculture, NAMA, S&D and Small Economies.

Consideration of any of these issues should be accompanied by progress on development issues under the Doha Work Programme.

The Caribbean is examining all the options and formulas now on the table, bearing in mind our limited capacity and level of development. The Caribbean is prepared to be flexible.

In our perspective, any further consideration of the Singapore Issues should take account of the following:

i. the need for agreement on modalities by explicit consensus before the launching of negotiations on any of the four issues;

ii. the eventual outcome of any negotiations on these issues should not lead to binding commitments that are subject to WTO dispute settlement procedures;

iii. provision of technical assistance, capacity building and clarification of the implications of adopting multilateral frameworks on these issues;

iv. commitment for provision of financial assistance to meet the costs of compliance, adjustment and implementation of any eventual multilateral frameworks on these issues.

The Caribbean is in consultation with its partners on these issues, with a view to the upcoming December 15 meeting of the General Council.

ON THE ‘DERBEZ TEXT’

1. We recognize the ‘Derbez Text’ as a useful attempt to synthesize widely different views. We also acknowledge other views and proposals made before, during and after Cancun, which together with the ‘Derbez Text’, provide the basis for further discussion. The ‘Derbez Text’ therefore should be enhanced in accordance with:

- the mandate in the Ministerial Declaration that all views expressed in Cancun will be taken into account, including the proposals submitted by various groups and at Cancun; and

- the opinions expressed in the consultations since Cancun.

2. This new text should form a reasonable basis to resume talks at the General Council Meeting in December 15.

ON INSTITUTIONAL REFORM AND DECISION MAKING

1. The experience since Seattle emphasizes the need for reform of the WTO decision-making process.

2. The decision-making process in WTO has become cumbersome and outdated. It lacks sufficient transparency and is not adequately representative. This type of reform can no longer be postponed. Interests and
representation of countries and regions ought to be balanced in a more appropriate way.

3. We recognize that there is on-going work on this matter, which we believe should be accelerated in light of the Cancun experience.

4. We see no incompatibility between proceeding with negotiations since Cancun and continuing with the examination of institutional reform.

A Summary Report of the encounter dated December 20, 2003, was dispatched by the Director-General, Regional Negotiating Machinery to CARICOM Heads of Government and Trade Ministers (See Appendix “A”).

“**We have come a long way from Cancun in short time**”

That is how the former Chairman of the WTO General Council, Perez del Castillo, put it in assessing the post-Cancun era at the WTO General Council Meeting of December 15, 2003 (See Appendix “B”).

Perez del Castillo went on to report that; “**possible solutions are becoming more visible**” as regards putting the Round back on track. He went on to stress that three essential factors are necessary for those “**possible solutions**” to be realized:

1. intensive negotiations;
2. political determination;
3. willingness to make the necessary compromises.

And the European Union’s Trade Commissioner, Pascal Lammy, commenting on the EC’s decision to adopt a strategy paper aimed at re-launching the Doha talks, stated:

“**The time is right to move forward.**”

Later, addressing the European Parliament Kangaroo Group in late January 2004, Lammy said:

“**There is already a shared sense that 2004 must not be a lost year. Even though there will be distractions during 2004 (such as the Indian elections in April, the Canadian elections in May, the EU’s Parliament elections in June and the US elections in November), real progress in 2004 is possible if the Members are ready to achieve this.**”

And in a speech delivered to Conference participants of the International Chambers of Commerce (ICC), in mid-January 2004, in Bangladesh, Lammy in attacking what he described as “**Received Wisdom**”, had this to say:

“**Received Wisdom one: that 2004 is a year for the dogs. No reason for this to be the case. The EU has already worked hard recalibrating its position. “Diplomacy levels” are already up sharply in the post-Cancun period. And the US has come out of its corner with a very positive statement in the last week, which leads me to “Received Wisdom” one-and-a-half: that the US elections must necessarily block all progress. I have never believed that. The US has a mandate and Bob Zoellick is pushing it...**”

At the ICC Conference, Lammy lamented the fact that even though the EU had offered to:
"eliminate export subsidies on a list of products of interest for developing countries, no-one, I repeat no-one has picked up this offer."

On the question of Agriculture, Lammy stated:

"I hope we in Europe have now sufficiently demonstrated our willingness to move forward. We have tabled a proposal which would not only slash our import tariffs by more than a third, zero our export subsidies for products of interest to developing countries and reduce trade distorting farm support by more than half."

Finally, on the vexed Singapore Issues, Lammy declared:

"We are ready for any or all of the Singapore Issues to be taken out of the single undertaking (unbundling is the elegant word we have used) and for any or all of the negotiations to be negotiated plurilaterally or multilaterally."

Lammy’s claim that “diplomacy levels are up sharply in the post Cancun period”; that the US has “come out of its corner” and that Bob Zoellick is “pushing the US Agenda”, is certainly true. There is currently a flurry of trade related diplomacy taking place. This is manifested in Lammy, himself, making the rounds in Asia, Africa and Latin America. For his part, USTR Bob Zoellick has embarked on a global push to win support for his “Commonsense Agenda.”

And developing countries grouped in the Commonwealth, dispatched a four-member Ministerial delegation to key Capitals to “urge a positive and flexible approach to the Doha Round and to move expeditiously to a final Agreement.”

In addition, Trade Ministers from Africa recently met at Mombasa, Kenya. Cotton growing countries in Africa met in Benin to hammer out a common approach as regards the cotton issue, in light of fresh developments since Cancun.

And the Cairns Group met in late February in Costa Rica to assess their ‘bill of health’ since Cancun, and to determine their future role as a group in light of the emerging global consensus on restarting the Doha talks.

From all indications, it seems that the objective of the current high level of trade diplomacy by the key players, is to mainstream their views within the current debate about the future of the Doha negotiations and to influence the process in their favour.

The convening of this COTED Strategy Session is, therefore, propitious. And our Belizean colleagues must be congratulated for taking the initiative to organize such a timely event.

No doubt, Bob Zoellick’s “Commonsense Agenda” has attracted wide attention in global trade circles. In his letter dispatched in early January 2004, to Trade Ministers around the world, Zoellick shared what he termed his:

“Commonsense Reflections on where we stand on the Doha Agenda and ideas on how we might advance it together.”

Zoellick, like Lammy, does not want 2004 to be a
lost year for the Doha negotiations. He suggests a focus on “the core market access topics; Agriculture, Goods and Services.”

Of interest to the Caribbean should be the following remarks by Zoellick in his letter:

“In addressing these topics, we will of course need to incorporate special and differential treatment recognizing that developing countries face varying circumstances, additional challenges from global competition and particularly sensitive adjustment problems.”

On the question of Agriculture, Zoellick proposed that export subsidies be eliminated by a specific date:

“The final elimination of these subsidies would underscore our common commitment, especially for developing economies. So we need to set an end date. I prefer an early date but recognize that may not be realistic for some, given the sensitivity of the topic...”

As regards the subject of Agricultural Market Access, Zoellick suggests:

“ We should be open to all ideas on how to develop a blend that applies fairly to all and provides meaningful market access commitments that provide export opportunities.”

To accomplish this, Zoellick suggests acceptance of three principles:

a. substantial market openings of developed and developing countries;
b. a CAP on high tariffs and significant growing access as a basis for full access overtime;
c. a common methodology.

As regards the methodology, the USTR recommends:

“As a practical matter, I believe our ability to share a methodology depends on different treatment for a very limited number of special products for certain developing countries that are concerned about having rural development and subsistence farming.”

In treating with Services, Zoellick suggests that WTO Members:

“Press for a near term goal of meaningful offers from a majority of WTO Members.”

In this regard, the USTR suggests that a co-joined effort involving various countries, WTO Staff and the Development Banks, assist developing countries in two ways.

Finally, on the subject of Special and Differential Treatment (SDT), Zoellick stated:

“Our market access agenda will need to incorporate particular designs for Special and Differential Treatment. As we work through these challenges, we will need a reasoned discussion about the level of participation of various countries given the wide differences in current capacities to participate in the
global economy.”

Zoellick, however, went on to add:

“I recognize the sensitivity of this, yet as we design flexibility for countries or even types of countries or regions with special problems, we will be stymied if every provision automatically applies to some hundred or more countries, including some that are highly competitive in a Sector.”

On the Singapore Issues, Zoellick suggests that, “progress would be more likely on trade facilitation and that negotiation for some or all members or simply encouraging more members to join the existing WTO Government Procurement Agreement might be the best way forward or a step towards a multilateral agreement in transparency in Government Procurement.”

What about the G20? Regrettably, due to domestic political demands, I was not available to participate in the G20 Ministerial Meeting in Brazil, as well as, the Informal Ministerial Meeting during the World Economic Forum at Davos.

Fortunately, the Caribbean was represented at the G20 Meeting in Brazil by the Director-General, Regional Negotiating Machinery and its Director of WTO matters.

An RNM Report on the above meeting was circulated to Member States on December 14, 2003. According to the Report:

“The G20 Meeting is being viewed as an important opportunity to give impetus to the stalled global trade talks...”

Meanwhile, Brazil’s Finance Minister, Celso Amorim declared that he saw

“a real chance of progress in the Round.”

He went on to add:

“Nobody has a crystal ball, but there is enough room (for manoeuvre) for us to push forward and seek a conclusion of the Round.”

Recently, in Geneva, the G20 and the EU met for two days of talks described as “a first stage of a new negotiating process.”

No doubt, this is a new initiative aimed at taking ownership of the negotiating process, rather than leaving it entirely in the hands of the Chairman of the General Council to engage in “consultations” and “confessional” with individual delegations and to come up with his own conclusions, as has been the current practice.

The above, therefore, represents the circumstances under which the WTO General Council met from February 11-13, 2004 in Geneva.

New Chairmen of the General Council and the twelve (12) Negotiating Groups have been elected. Barbados is the new Chair for the Committee on Trade and Development. A structure is now in place to restart the talks.

In light of these developments, Caribbean Trade Ministers need to make decisions on the following matters:
1. Re-calibrate our “category one” issues;
2. Designing our own flexibilities vis-à-vis SDT;
3. Formulating our arguments in preparation for a “reasoned discussion” about the level of participation of various countries given the wide difference in current capacities to participate in all global economy;
4. Push for the acceptance of non-trade concerns but at the same time, avoid creating new protectionist barriers and further market distortion;
5. Eliminating export subsidies by a specific date;
6. Eliminating the subsidy component of export credit programmes;
7. Eliminating export subsidies on a list of products of interests for developing countries;
8. Determining the extent to which the Caribbean is prepared to go as regards the capping of the boxes;
9. Revisiting the blended formula advanced at Cancun;
10. Consideration of a balanced formula for industrial goods;
11. A Framework Agreement by June/July or March/April.

Some of the political issues I had posed for consideration at our St. Lucia Meeting, are still valid vis-à-vis our strategy session. These include:

1. Strengthening our alliances with the G21, the LDCs and other Groups with common goals, with a view to shaping a WTO that suits us;
2. Revisit the call for a Review, Repair and Reform of the WTO with emphasis on the Repair and Reform aspects;
3. Press for greater inclusivity of developing countries in future negotiations with a permanent presence in the Green Room process;
4. Formulate guidelines and a Road Map for our involvement in the Multilateral Trading System in 2004

As regards the ‘Derbez Text’ we still need to do the following:

i. identify those sections in the text that we cannot live with;
ii. identify those areas in the text where high levels of convergence exists between WTO Members

With respect to the Singapore Issues we have already signalled, while in Georgetown, at the Meeting with DG Supachai our readiness to be flexible in this particular matter.

We now need to be more specific and state clearly whether we will go for Trade Facilitation via. the optional participation approach and adopt the ITA approach as a model for negotiating an agreement on Government Procurement.

Finally, we need to bring an end to the long awaited posting of the CRNM Representative in Geneva.

Zoellick’s “Commonsense Agenda” is obviously premised on the realization of a Framework Agreement by June/July 2004, and the holding of Ministerial Conference by the end of year to wrap up the Round.
On the other hand, Lammy’s strategy is basically the same with one exception. He wants a Framework Agreement much earlier viz. by March/April 2004.

It is quite possible that the G20, particularly Brazil, wants a conclusion of the Round in accordance with the Doha Mandate, but more importantly to end the impasse at the FTAA negotiations.

In this regard, Zoellick’s “Commonsense Agenda” could very well be aimed at achieving a “double whammy” at the WTO and the FTAA.

Moreover, we should not forget that the EU wants an early resolution of the Doha Round to give it the necessary leverage for negotiating successful Economic Partnership Agreements with its ACP partners.

It is in this sea of intrigue and web of enlightened self-interest seekers that the Caribbean finds itself.

With its own problems to solve and its own interests to pursue, the Caribbean out of necessity, must chart a course that is clear cut, dynamic and single-minded in focus and purpose.

This Strategic Session holds the strong possibility of so doing through our collective efforts and wisdom.

I have no doubt that we will.

February 16, 2004
Georgetown, Guyana
ARCHITECTS’ IMPRESSION OF THE GUYANA INTERNATIONAL CONFERENCE CENTRE

View from the front.

View from the rear.

A PUBLICATION OF THE MINISTRY OF FOREIGN TRADE & INTERNATIONAL COOPERATION
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