

**STATEMENT BY THE HONOURABLE MINISTER OF INDUSTRY, COMMERCE,
AGRICULTURE AND FISHERIES TO THE PARLIAMENT ON THE REPORT ON THE
COMMISSION TO REVIEW JAMAICA'S RELATIONS WITHIN THE CARICOM AND
CARIFORUM FRAMEWORKS**

June 19, 2018

Mr. Speaker

As the Minister with responsibility for agriculture, the manufacturing sector, fisheries, the distributive trade and investment promotion; that is, practically the entire goods producing sector of the economy, I rise to support the resolution now being debated.

Mr. Speaker, it is necessary to revisit the rationale and objective of the Revised Treaty of Chaguaramas (RTC), to establish the CARICOM Single Market and Economy.

Among the objectives of the Revised Treaty are:

- 1. Improved standard of living and work in member countries,*
- 2. Accelerated, coordinated and sustained economic development and*
- 3. Organization for increased production and productivity.*

It is clear therefore, that the overarching objective of the CSME is to increase our collective wealth and well-being through sustained economic growth derived from continuous increase in production and productivity. This goal has somewhat eluded us due to half-heartedness, and sometimes, a lack of commitment and an unevenness in the extent to which Members States embrace the provisions of the Revised Treaty to increase our common wealth. I remain convinced that the

existing provisions of the Revised Treaty, if applied fairly and rigorously can increase economic development in the Region, through increased trade among ourselves, supported by continuous production and productivity gains. Therefore, we need to commit ourselves first and foremost to applying the existing rules and strengthen, where necessary to achieve the goal of a single market.

The goal of a single economy is noble, but more challenging and will require tremendous political will to be achieved. It is instructive that even Europe that has been at this for a much longer period is challenged to achieve and maintain a Single Economy, as manifested in BREXIT and the current political tensions surrounding the issue of migration.

Mr. Speaker, the Revised Treaty of Chaguaramas is a comprehensive document, addressing a range of issues that will be addressed by various speakers in this debate today. Based on my portfolio responsibilities, I will restrict myself to the issues related to trade in agriculture and manufactured goods.

Mr. Speaker, one of the benefits of regional integration, the world over, is to increase the prosperity of all participants through unimpeded trade. Agriculture forms an important part of the economic and social fabric of most CARICOM States. In this regard, agreed mechanisms relating to Sanitary and Phytosanitary (SPS) issues are critical to facilitate trade in agricultural goods. In relation to trade generally, Jamaica has emerged as the “SINGLE” market that everyone wants to access. We have however experienced significant challenges in accessing the CARICOM market, largely on the grounds of SPS measures. **In this regard, I support the Commission’s recommendation that calls for the removal of all non-tariff barriers and the establishment of agreed protocols for SPS measures.**

Mr. Speaker let me be clear, Jamaica has achieved self-sufficiency in a number of agricultural goods, including chicken, eggs, pork, and several vegetables and tubers. Any further expansion in our productive capacity of these goods will only be possible with access to near shore preferential markets. Jamaica sees CARICOM as a natural extension of its domestic market and we will be relentless and aggressive in pursuing this market, as we not only have the capacity so to do, but we have a RIGHT as enshrined in the Revised Treaty.

We must therefore accelerate every effort to have the necessary harmonized SPS measures in place as recommended by the Commission Report.

Mr. Speaker it is inexplicable how quickly we move to establish SPS protocols between third countries and CARICOM while our requests to Member States for access languish for years. Recall for instance, the challenges we experienced in getting Jamaican patties into Trinidad, Barbados and Belize. Juxtapose this against the volume of goods entering Jamaica from those markets; Jamaica alone cannot be the “SINGLE” Market!

Mr. Speaker, the manufacturing sector in CARICOM, apart from the processing of oil in Trinidad, is overwhelming agro-based. In fact, our collective manufacturing capacity far exceeds the current agricultural output to supply raw materials. In fact Mr. Speaker, this mismatch should provide the perfect impetus to spur growth in agriculture. Again, the RTC through the provisions of the Common External Tariff (CET) and the Rules of Origin (RoO) provisions are intended to foster primary agricultural production to support manufacturing.

This is precisely why the RTC promotes trade in wholly produced primary goods and sets thresholds to ensure value addition and substantial transformation. Mr.

Speaker the practice has been a wholesale and liberal use of extra-regional raw materials with little value addition to produce manufactured goods in the Region and then ship to the Jamaican market.

All of this is happening when Jamaica itself has the capacity to produce some of those very raw materials. Mr. Speaker I therefore call on CARICOM through the COTED to rigorously apply these rules. Where countries demonstrate the capacity to produce the raw materials, the rules need to recognize this with adequate tariff protection and by lifting the threshold for transformation. For instance Mr. Speaker, it is an affront to the peanut farmer in Jamaica not to be able to sell his peanuts, when a manufacturing entity elsewhere in CARICOM can simply put a 'pretty' package on extra regional peanuts and sell it to our market as a product of community origin. While we are expanding our dairy industry, provision has to be made within the rules to encourage this rather than simply importing extra regional milk, doing a little fortification and then sell it into our market. Mr. Speaker for the CSM to be effective and sustainable, it has to promote the development of primary industries.

Mr. Speaker my Ministry is also responsible for a number of matters that facilitate investment, production and trade, such as standardization, fair competition, consumer protection, rights of establishment and the protection of intellectual property. Within the Region, MICAFA agencies have been model institutions in terms of developing the relevant legislation and institutional frameworks to promote investment, production and trade. In this regard, Jamaica will continue to work with regional organizations to ensure that the issues are well ventilated and that we will implement where protocols and timelines have been agreed.

Mr. Speaker, if the Revised Treaty of Chaguaramas was fulfilling the objective of creating a CARICOM Single Market and Economy that is fostering economic development and prosperity for all our people, we would not have needed a Golding Commission. From the perspective of the Minister of Industry, Commerce, Agriculture and Fisheries we believe however that the existing Treaty if properly applied can move us closer to a Single Market. We must have the courage to apply the provisions laid out in the Treaty for monitoring and enforcement. We must also muster the political will to make changes where necessary to promote the goal of a Single Market. This must transcend mere political talk, and in that regard I salute the definitive timelines articulated by the Golding Report. Time is not on our side.