

**African, Caribbean and
Pacific Group of States
(ACP Group)**



**Groupe des Etats d'Afrique
des Caraïbes et du Pacifique
(Groupe ACP)**

PRESS RELEASE

Commodity concerns threaten to derail WTO talks – ACP anger on cotton, sugar and bananas

Hong Kong, 16 December 2005: The African, Caribbean and Pacific (ACP) Group has today stated that continuing lack of attention and assurances to their concerns from developed countries on key commodities threaten to derail WTO talks. The Group expressed its extreme anger and concern at the lack of movement on cotton and sugar, particularly on the part of the US and EU, as well as the persistent attacks by Latin American countries on the banana regime. The ACP is seeking a meeting with the WTO Director General, the Chair of the Ministerial Conference, and the Facilitator on Agriculture to highlight their concerns.

US intransigence on **cotton** stands to cost African farmers €450 million a year and threatens the livelihoods of 15 million people. This industry was almost destroyed by the Structural Adjustment Programmes of the 1980's, and is yet to recover from these reforms.

ACP **sugar** supplying States will permanently lose over €250 million a year with the recent reform of the EU sugar regime and face the threat of further erosion of their preferences in Hong Kong. A meagre €40 million in compensation has been proposed for the ACP as compared with over €7 billion that has been guaranteed to European producers to persuade them to accept the reform.

ACP **banana** producing countries are facing the persistent erosion of their preferences. This is already resulting in the destruction of their industries and is threatening the livelihoods of hundreds of thousands of people.

"We are starting to strongly question the value of the WTO to small, vulnerable, developing countries. It appears that these talks will bring us nothing at all and even drive us further into poverty. This situation makes a mockery of the development agenda of this Round. We will not accept any agreement in Hong Kong that is made at our expense," stated Arvin Boolell, Minister of Agriculture, Mauritius and ACP Ministerial Spokesperson on Sugar.

"We should not lose sight of the ultimate objective of this Round, which is to promote development through trade, and not trade for trade's sake. To undermine preferences runs counter to development," said Luc Magloire Mbarga Atangana, Minister of Commerce, Cameroon and ACP Ministerial Spokesperson on Bananas.

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