

## DECLARATION OF THE PRESIDENTS OF THE LATIN AMERICAN BANANA EXPORTING COUNTRIES

San José, 7 July 2005

The Presidents of Colombia, Costa Rica, Ecuador, Guatemala, Panama, and the representatives of the Presidents of Nicaragua and Honduras, meeting in San José, Costa Rica, on 7 July 2005, as a follow-up to the Declaration of Quito dated 26 January 2005, and in complete understanding, agree to issue the following joint declaration:

1. We reassert that social, economic and political stability depend, to a great extent, on that the efforts made by our countries to incorporate our economies into world trade find responsible and positive answers from developed countries. In this sense, it is indispensable that they open their markets to products from our developing countries.
2. We emphasize that this undeniable reality finds its clearest expression in the trade of bananas. Great efforts have been made in Latin America to achieve high levels of quality, competitiveness and productivity in this agricultural activity. The exports of this fruit have been an important contribution to economic growth and to our development. Nevertheless, the European Union has maintained a constant restriction policy to banana imports from our region which limits the benefits of international trade to our producers.
3. We express our deep concern due to the reiterated will of the European Union to extend, on a discriminatory way, the restrictions against bananas from Latin America. We ratify that the current tariff level of 75 Euros per metric ton is already restrictive enough, therefore the new tariff should be lower than 75 euros, considering the unlimited, without tariffs access of the African, Caribbean and Pacific (ACP) countries.
4. We express that the situation is even more serious and of real concern because hundreds of thousands of jobs generated by the banana activity are threatened by the intention of the European Union of increasing the tariff to 230 Euros per metric ton as of 1 January 2006, *a date that takes into account elements that have not yet been materialized.*
5. We urge the European Union to respect the commitment acquired in the Annex of the Doha Waiver to Article I.1 of the GATT 1994, adopted on 14 November 2001, since the tariff of 230 Euros per metric ton does not guarantee maintaining total access for bananas from Latin America.
6. We ratify our commitment with the negotiations of the Doha Development Round, launched on November 2001 and, therefore, with the purpose of achieving significant progress, particularly in the agriculture negotiations, which this month will undergo a critical phase in Geneva (Switzerland), known as "First Approximation", in the works related to the Ministerial Conference of the WTO that will take place next December in Hong Kong.
7. We emphasize the need to comply with the agriculture mandate of the Doha Round, on market access, particularly for developing countries, as well as on the total elimination of export subsidies and the reduction of internal aid granted by developed countries and particularly those of the European Union.

8. We reiterate that developed countries should comply with the commitment on the fullest liberalization of the trade of tropical agricultural products, including bananas, and for products of particular importance to the diversification of production that allows abandoning crops from which illicit drugs are obtained. The future of the banana industry depends on this compliance. We express our determination to continue to join efforts on the Doha Round through the Group of Tropical and Alternative Products, to which we belong.

9. We consider it unjustifiable that at the Doha Round the European Commission, on behalf of development, denies the commercial opening to banana exports from Latin American developing countries. We find it of great concern that due to the desire to preserve discriminatory commercial treatments, the European Commission makes progress difficult in the multilateral trade negotiations.

10. We acknowledge the coordinated work that up to this date we have performed as a block of countries and we reassert the commitment of the Declaration of Quito dated 26 January 2005, in the sense that our Governments continue to make coordinated efforts towards the defense of the interests of the region and particularly to what pertains the current arbitration proceedings.

11. We reiterate the will of facing the subsequent stages in the same integral manner, particularly the consultations that would take place with the European Union in the near future, with the purpose of guaranteeing the achievement of satisfactory results without jeopardizing the rights of each of our countries.

Abel Pacheco de la Espriella  
President of the Republic of Costa Rica

Álvaro Uribe Vélez  
President of the Republic of Colombia

Alfredo Palacio González  
President of the Republic of Ecuador

Oscar Rafael Berger Perdomo  
President of the Republic of Guatemala

Martín Torrijos Espino  
President of the Republic of Panama

Mario Alberto Fortín Midence  
Secretary of State of the  
Bureau of Foreign Relations of the  
Republic of Honduras

Azucena Castillo de Solano  
Minister of Promotion, Industry and  
Trade of the Republic of Nicaragua

## ADDENDUM

The Presidents and the Heads of Delegations of the Latin American Banana Exporting Countries agreed upon the following:

1. To hold, in the City of Medellin, Colombia, a follow-up technical meeting starting on 18 July 2005, previous to the decision of the first arbitration.
2. To carry on in Panama, at a date yet to be agreed upon, the next Summit Meeting of Latin American Banana Exporting Countries, to evaluate the current process of the signatory countries of the Declaration of San José before the European Union.
3. To instruct our Ambassadors in Brussels, Belgium and in Geneva, Switzerland, to jointly distribute the Declaration of the Governments of the Latin American Banana Exporting Countries, signed in San José, Costa Rica, on 7 July 2005, to the corresponding entities of the European Union and the member countries.