

**Meeting of the ACP/LDC Ministerial Delegation with the  
European Commission and EU Agriculture Ministers**

**Statement by Roger Clark,  
Minister of Agriculture,  
Jamaica**

**Brussels, 19 September 2005**

Since the Sugar Reform has been announced, it has been a very traumatic period for sugar farmers in Jamaica. The industry has already been hit. Banks have lost confidence and the sugar industry is unable to access financing.

Mention has been made today about diversification. We have a great deal of experience in Jamaica with diversification. We have downsized to 18 factories. We have gone into papaya and other fruit tree crop production. But despite this, those communities where sugar was grown before are now graveyards. In Jamaica, we are very exposed to the vagaries of the weather. The last 4 hurricanes this past year has wiped out the vegetable and bananas crops, coffee has suffered a 60% decline, citrus cultivation 40%. The only agricultural enterprise which has survived these hurricanes was the sugar industry. Sugar is the most resilient of all agricultural crops in our countries. It will be very difficult to replace the sugar industry. The margins have been quite small, but we have been able to survive with that. If we could survive the proposed 39% cuts, we would have been making humongous profits.

In terms of diversification, tourism is growing to a certain extent. But if the sugar industry creates many jobless, it will in fact drive down the tourism industry as the unemployed gravitate to tourism and the cities. Anti-social behaviour and criminal activity will increase. There will be more drug running, you might even feel the impact here.

We will not be able to contain the combined difficulties of:

- earnings in tourism down
- government costs in education, healthcare, security going up
- loss of foreign exchange earnings.

This is a 3 edged sword that we face.

The Accompanying Measures proposed are somewhat vague. EUR 40 million, minus the EUR 2 million of administrative costs to employ consultants leaves EUR 38 million. EUR 40 million may be enough just for one Caribbean country (Sugar Industry) alone, but this is the figure being proposed for all our 18 countries.

Another difficulty is that our country strategies have to be from us and not imposed. The consultants that have come to Jamaica have apparently come with preconceived ideas of how the Jamaica sugar industry should proceed. They have even given an indication of which factories to close - it is the Government's sovereign right to determine policy (and to make the decision). The Commission needs to be cognizant of this fact in securing consultants to work with respective ACP Governments. There needs to be much more room for dialogue. Commissioner Fisher Boel seems to be able to be flexible to all things except to bring the price of sugar down. The figure of 39% should not be cast in stone. The reprieve for 1<sup>st</sup> year does little to help as after that our industry will not survive.

We are fighting for our survival and that of our societies.

I do not want to wake up tomorrow and face the inevitable devastation that the Reform would cause. We could not contain the elements that would be unleashed on society if our industry were to be decimated.