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Meeting of the African Ministers Responsible
for Trade Preparatory to UNCTAD VIII

19 September 1991
Lusaka, Zambia

Report of the Meeting of African Ministers
of Trade Preparatory to UNCTAD VIII

Lusaka, Zambia

A. INTRODUCTION

1. The meeting of the African Ministers of Trade Preparatory to UNCTAD VIII was held in Lusaka, Zambia on 19 September 1991. The meeting was convened pursuant to paragraphs 40 and 41 of the report of the Eleventh Conference of African Ministers of Trade that took place in Addis Ababa, in April 1991 (doc. E/ECA/TRADE/91/12). The primary objective of the meeting was to adopt an African position to be negotiated at the meeting of the Group of 77 and UNCTAD VIII. The meeting had before it the Report of the Meeting of the Senior Officials, the draft Declaration and draft African position on the various agenda items for UNCTAD VIII.

B. ATTENDANCE AND ORGANIZATION OF WORK

2. The following States members of the Organization of African Unity and the United Nations Economic Commission for Africa were represented: Algeria, Angola, Botswana, Burkina Faso, Burundi, Cameroon, Congo, Cote d'Ivoire, Egypt, Ethiopia, Ghana, Guinea, Kenya, Lesotho, Liberia, Libyan Arab Jamahiriya, Malawi, Morocco, Mozambique, Namibia, Nigeria, Rwanda, Sudan, Swaziland, Tanzania, Tunisia, Uganda, Zambia and Zimbabwe.

3. The United Nations Conference on Trade and Development (UNCTAD), the Eastern and Southern African Management Institute, (ESAMI), the Association of African Trade Promotion Organizations (AATPO), and the Preferential Trade Area for Eastern and Southern African States (PTA) were represented as observers.

C. OPENING CEREMONY (Agenda Item 1)

4. In a message read on his behalf by Prime Minister, General Malimba Masheke, His Excellency Dr. Kenneth D. Kaunda, President of the Republic of Zambia stated the reasons why Zambia was particularly delighted to host the preparatory meeting, including the fact that the liberation of Africa was not completed, especially on the economic front.

5. He emphasized the need to strengthen national and international action, as well as multilateral co-operation for a healthy, secure and equitable world economy and felt that UNCTAD VIII would provide an opportunity to seriously review and evaluate the challenges and potentials presented by the current geopolitical changes taking place. It would also provide the international community with a golden opportunity to renew commitments of shared responsibility in international trade, in an interdependent world economy. It was imperative that participants

consider how Africa should respond to the strong pressures that would be brought about by those changes, over and above the challenge to international trade relations already brought about by East-West detente.

6. He cited the special areas in which African countries experienced serious difficulties, in particular the decline in the flow of financial resources, the heavy debt burden and the collapse of commodity prices.

7. Finally, he urged the African countries to uphold the spirit of solidarity within the G.77 while at the same time making sure that Africa's interests were properly safeguarded.

8. In his statement, Mr. K.K.S. Dadzie, Secretary-General of UNCTAD stated that future world economic stability and growth would depend on the effective and equitable management of global interdependence. Such management should focus on strengthening international policy co-ordination so as to take fully into account the interests of all countries, particularly developing countries, and to encompass policies affecting trade, capital flows, structural adjustment and the effective functioning of the international monetary system. It should also entail necessary adaptations and reforms in the systems and structures that underpin international economic relations. Only thus could interdependence become a consistent vehicle for growth and development, cumulating benefits for all in a positive sum game.

9. The new thrust towards the formation of large economic spaces must not be allowed to become a stumbling block to a global compact on international trade that fully respects the needs of developing countries. Rather, they should become building blocks for improving the multilateral trading system and thereby for translating into firm disciplines the wider-ranging global consensus that underpins the Uruguay Round.

10. From the standpoint of African countries, the issue of commodities was the most important element on the agenda of UNCTAD VIII. For them, the impact of developments in the international commodity economy had been devastating, comparable only to that of their data service burden. The central objectives of international commodity policy had already been broadly agreed in the Integrated Programme for Commodities and in subsequent texts. But the challenge for the Conference was to work out on the basis of these objectives a strengthened international commodity policy which took

fully into account the structural and other changes that had taken place over the years.

11. Resources for development represented another of the interrelated areas to which the Conference would be devoting particular attention. With the primary source of development finance still remaining the savings efforts of developing countries, those countries must step up their mobilization of domestic resources.

12. Turning to institutional matters, the Secretary-General indicated that UNCTAD as an institution needed to continue to adapt itself to new circumstances in the shaping of its future role as a universal and democratic institution with a central development vocation.

13. Mr. Issa B. Y. Diallo, Acting Executive Secretary of the ECA in a message read on his behalf by Dr. Jonathan H. Chileshe stated that the process of Africa's recovery, had been greatly complicated by the additional burdens of the changing world order. Trade as an important engine of growth and development in the developing countries had failed to perform that important function in most African countries, particularly during the 1980s since the region's terms of trade deteriorated sharply and the external debt burden became excruciating. Furthermore, Africa's weak and rigid economic infrastructure had made the continent unable to respond rapidly and effectively to changes in international trade.

14. Furthermore, the rate of geographic concentration of Africa's trade, especially with countries of the European Economic Community, meant that adverse changes in the economic conditions of EEC countries had a devastating impact on the export performance of African countries. The main concern of the meeting should be how to make Africa an effective partner in trade and development. Consequently, the meeting should address issues of accessibility of African exports to markets of industrial countries; the extent to which non-tariff barriers and grey-area measures impeded the flow of exports from Africa into international markets; the degree to which the introduction of new areas into GATT negotiations would enhance grey-area measures applied against exports from Africa into industrial markets and made it more difficult for Africa to move into the age of technology.

15. He felt that Africa's potential can only be optimized if it was developed evenly and the participation of developing countries was broadened and deepened. Hence the future role of UNCTAD requires to be strengthened with a view to enabling it to play an instrumental role in monitoring the implementation of decisions

taken at each UNCTAD session. Similarly, Africa needed to take a firm stand with regard to principles, policies and practices that should be established in dealing with international trade in services. Care should also be taken to defuse the on-going manoeuvres aimed at opening trade in services to competitive forces within the Uruguay Round of Negotiations.

16. The representative of the OAU read to the Conference a message from H.E. Dr. Salim, the Secretary-General of the Organization of African Unity who was unavoidably absent at the meeting owing to certain unforeseen developments that required his personal attention. The Secretary-General offered his apologies to the ministers and wished the meeting a successful outcome.

17. The OAU Secretary-General's message outlined the important issues that African countries should focus on at UNCTAD VIII, including in particular, resources for development, the debt and commodity problems and those of the LDCs. It was important to guard against certain diversionary tactics and to formulate a strong negotiating strategy.

18. The OAU Secretary-General informed the Conference about the signing of the Treaty of the African Economic Community on 3 June 1991 in Abuja, Nigeria, and of the arrangements for the Sixth All-Africa Trade Fair scheduled to take place in Bulawayo, Zimbabwe in September 1992. He urged all African Ministers to participate in the Fair.

19. His Excellency Mario Gutierrez Cardenas, Ambassador of Colombia to Egypt, speaking on behalf of Latin America and Caribbean countries, made a formal presentation on the outcome of the Latin American and Caribbean Ministers coordination meeting held in Caracas from 28 to 30 August and on 4 September 1991. He stated that Ministers of the Latin American and Caribbean Group had been guided in their Coordination Meeting by a desire to revitalize UNCTAD in order to enable it to respond effectively to the evolving new agenda on trade and development for the 1990s. Countries of his region therefore considered it important that institutional matters be made a central issue of discussion at UNCTAD VIII.

20. By proposing institutional changes, Latin America had taken into account the need for UNCTAD to adjust to the new conditions in the world, which had given an impulse to structural reforms in the economic and social sectors of the United Nations system.

21. The Latin American region expressed its backing for the strengthening of the Group of 77 as a mechanism for achieving

political agreement concerning major issues, objectives and policy proposals of the developing world. In order to supplement the present structure of groups with more flexible mechanisms, Latin America invited the developing countries and other members of UNCTAD to take into account the specificity of needs and limited objectives of negotiation in order to allow for other forms of coordination to operate at the level of regions, subregions or in terms of specific interests.

Election of the Bureau (Agenda Item 2)

22. The meeting decided to retain the Bureau of its Eleventh Session held in Addis Ababa in April 1991.

Chairman:	Zambia
First Vice Chairman	Burundi
Second Vice Chairman:	Namibia
Third Vice Chairman:	Burkina Faso
Fourth Vice Chairman:	Morocco
Rapporteur:	Tanzania

Adoption of the Agenda and Organization of Work (Agenda Item 3)

23. The meeting adopted the following agenda:

1. Opening of the meeting
2. Election of the Bureau
3. Adoption of the agenda and programme of work
4. Consideration of the Report of the Senior Officials on Africa's negotiating position for the meeting of the Group of 77 and UNCTAD VIII
5. Adoption of the report
6. Closure of the Meeting

D. ACCOUNT OF PROCEEDINGS

Consideration of report of Senior Officials on Africa's negotiating position within the Group of 77 and UNCTAD VIII (Agenda Item 4)

24. The meeting resolved to allow for a general debate before taking up agenda item 4. Ministers and heads of delegations from Algeria, Egypt, Ethiopia, Kenya, Sudan and Zimbabwe made statements during the general debate. They addressed the changes in the patterns of international economic and political relations (changes

in Eastern Europe, the end of the cold war, rapid technological changes, emerging blocs among major trading partners, etc.) and their implications for Africa, as well as the various external constraints facing the continent (debt burden, deteriorating terms of trade, depressed commodity prices, stagnant resource flows, protectionism, decline in technology transfer, etc.). They highlighted the serious efforts made by African countries, particularly in the adoption of economic policy reform measures aimed at adjustment and long-term socio-economic transformation. These measures included trade liberalization and encouragement of private investment.

25. They also underlined the responsibility of the international community to support the efforts of African countries. In that context, they highlighted the need for the results of the Uruguay Round to take into account the specific needs, level of development and socio-economic objectives of African countries. They reaffirmed their commitment to maintaining the solidarity of the Group of 77 and to the further strengthening of intra-African regional and subregional trade, economic and technical co-operation.

26. They emphasized the specific situation of African least developed countries (LDCs). They reaffirmed their faith in, and support to UNCTAD and declared their commitment to further strengthen its role and to work for a successful outcome of UNCTAD VIII.

27. Following the end of the general debate, the report of the Meeting of Senior Officials was introduced by the Chairman of that Meeting. He highlighted the main items contained in the report which came in three parts. These were a draft declaration, followed by a draft African negotiating position covering all the main agenda items for UNCTAD VIII and those other issues of crucial importance to the region and finally a draft decision seeking a mandate from the Ministers to allow the African Group in Geneva to harmonize the African position with those of the other Groups within the G.77, and to report to the African Ministers at the seventh ministerial meeting of the Group of 77.

28. The Ministers expressed appreciation for the work of the Senior Officials and adopted the report including the draft Declaration and the African position covering the agenda items for UNCTAD VIII.

29. The Conference adopted the decision requesting the African Group in Geneva to harmonize the African position with those of

other Groups within the G.77 and to report to it during the Seventh Ministerial Meeting of the Group of 77.

Adoption of the report (Agenda Item 5)

30. The meeting adopted the report as amended.

Closure of the meeting (Agenda Item 6)

31. After the adoption of the report as amended, the Chairman read a closing statement from General B. Mibenge, Zambian Minister of Foreign Affairs stressing, among other things, the challenge for developing countries to work towards reversing the downward trends on world events, in particular, to use the opportunity in Teheran during the Seventh Ministerial Meeting of the Group of 77 to adopt appropriate economic recovery and development measures that could spur sustainable economic growth.

32. There being no other business, the Chairman declared the meeting closed.