

High-Level Brainstorming Meeting of African Trade Negotiators and Officials

Opening Statement by

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Honourable Minister,
Your Excellencies Ambassadors,
Representatives of UNDP, WTO, UNCTAD and others,
Ladies and Gentlemen,

I would like to begin by welcoming you all to Tunis for this very important meeting, following the adoption by the General Council of the WTO of what has come to be known as the "July Package".

On behalf of the Economic Commission for Africa, I also want to take this opportunity to thank the Government and the People of Tunisia as well as the African Development Bank (ADB) for once more hosting us in this historic city.

Let me also express my profound appreciation to our colleagues in the African Union (AU) who have once again jointly organized this High-Level Brainstorming Meeting of African Trade Negotiators and Officials with the ECA.

We are deeply grateful to the United Nations Development Programme (UNDP) and the Canadian International Development Agency (CIDA) for funding this meeting.

Mr. Chairman,
Ladies and Gentlemen,

There has been justifiable concern over the past year that failure to revive the trade talks that stalled in Cancun could result in irreparable damage to the credibility of the WTO.

In that context, the July Package is clearly an important effort to revive negotiations. Despite its shortcomings, it has injected urgently needed new momentum into the talks.

The adoption by the General Council of Framework Agreements on Agriculture and Non-Agricultural Market Access (NAMA), as well as an agreement to launch negotiations on trade facilitation, are important steps towards a successful conclusion of the Doha trade round.

However, a lot more work still remains to be done in the "modalities stage", as well as in future trade negotiations, if this round is to be successfully concluded.

There is a long way to go before the "spirit and letter" of the Doha mandate are reflected in a multilateral agreement. As things now stand, we cannot be confident that the Doha Development Agenda will shape the final outcome.

Mr. Chairman,

You will recall that we in Africa greeted the outcome of the Doha WTO Ministerial Conference with

optimism, for several reasons.

First, there was hope that the imbalances of the previous Uruguay Round would be squarely addressed during the new round of negotiations.

Second, there was a conviction that "our time had come" and that the international community was willing to help developing countries benefit from globalization, hence the description of the Doha process as a Development Round.

However, subsequent trade negotiations and the WTO July Package have left many, particularly in Africa, disillusioned.

Many of the concerns raised by developing countries at Cancun and in the negotiation of the July Package have not found their way into the final texts adopted by the WTO General Council on the first of August this year.

Nowhere was this more glaring than in the lack of clarity on the "developmental dimensions" of the DDA.

Moreover, even in the Frameworks adopted for Agriculture and NAMA, most of the issues of concern to African countries were postponed for subsequent negotiations. To add insult to injury, there was no real commitment to show how these issues would be handled when those negotiations take place.

Mr. Chairman, Ladies and Gentlemen,

Given these circumstances, it is imperative that African countries intensify their efforts and devote their energies during the "modalities stage" of the negotiations. They must ensure that their concerns are reflected in the modalities to be agreed upon and also, more importantly, in the final outcome of the Doha Development Agenda.

I am sure we all agree that there needs to be a significant reorientation in the current negotiations if the Doha Development Agenda is truly to be a development round.

There needs to be a greater focus on areas of key interest to developing countries.

These include:

- promoting growth in developing countries and working to reduce the huge disparity that separates them from the more advanced industrial countries;
- advancing the principles of fairness and the provision of special and differential treatment for these countries;
- and the provision of appropriate instruments to address adjustment costs associated with trade liberalization.

In addition, such an agenda needs to

- promote pro-development priorities in developing countries;
- ensure that developing countries are not prevented from unlocking their potential and from benefiting from free trade because of institutional and supply capacity constraints;
- address effectively the issues of "preference erosion" and their impact on countries receiving such preferences;

- and enable these countries to participate equally in the WTO processes.

In short, the Doha Round must deal effectively with many of the imbalances currently existing in the WTO Agreements, as well as provide the space and the instruments to enable African countries to use trade as an engine of growth and pro-poor development.

Mr. Chairman,

Let us look briefly at a couple of crucial issues that remain to be addressed.

Agriculture is one of the most important and difficult components of the current trade negotiations, whose outcome will have a significant bearing on the future of our economies.

African countries have therefore good reason to be concerned with the direction agricultural trade negotiations have been taking.

The Framework on agriculture, rather than providing a clear direction on ways in which the modalities on agriculture will be defined, has left many issues unanswered.

More importantly it has compounded these negotiations by introducing new ideas, such as "a new blue box", and "sensitive products for developed countries", as well as a "tiered formula" for tariff reductions.

Given current developments, it is not clear that we will fulfill the Doha mandate on agriculture of achieving substantial reduction in trade-distorting support measures, and more importantly, providing the policy space, or "room for manoeuvre" developing countries need in order to pursue their goals of food security, rural development and poverty reduction.

In particular, the lack of concrete progress on the Cotton Sectoral Initiative, while millions of Africans continue to suffer and live below the poverty line, is a moral failure and an indictment of the international community, as well as the multilateral trading system.

Having convinced African countries to drop their insistence that this matter be addressed as a "separate issue", and to keep it in the overall agricultural negotiations, the international community should have taken steps to fast track negotiations on these issues.

Looking beyond agriculture, to the area of non-agricultural market access (NAMA), many African countries had hoped that developed countries would show some flexibility as regards special and differential treatment for developing countries, as well as the formula to be agreed for further tariff reduction.

However, as current negotiations are revealing, developed countries appear to be moving in a direction that would deny developing countries the crucial breathing space they need in order to industrialize.

It is critical that they now do more to ensure that they provide that "policy space" for African countries to pursue their industrial policies.

The same problems are evident when it comes to the developmental dimensions of the Doha Ministerial Agreement.

Developing countries had hoped that, through instruments to be agreed, developing countries would be provided with appropriate space to pursue development goals consistent with the Millennium

Development Goals.

Lack of progress in this area is a vivid indication that the Doha round may not live up to Africa's expectations. Mr. Chairman, Ladies and Gentlemen,

Your meeting is taking place at a critical juncture in these negotiations. We, at the Economic Commission for Africa, are fully aware, not only of the political dimensions on which I have focused this morning, but also of the technical aspects of these negotiations.

Accordingly, the Ad Hoc Experts Group Meeting, which preceded this forum was intended to provide space where experts could exchange views on a range of technical issues and build a solid technical base on which your negotiating positions and strategies could be developed.

It is my sincere hope that you will find many of the recommendations by Experts useful and helpful.

We also note with admiration, the solidarity that has evolved over time among African countries in these negotiations. Indeed, there is strength in unity. As a group, our region is now clearly being taken seriously in the Doha Round.

We trust that our member states will remain united in developing common strategies and negotiating positions in these negotiations.

This meeting is also an integral part of our efforts - in collaboration with our partner organizations in Africa and abroad - to continue to support you in bilateral and multilateral trade negotiations.

We remain committed to provide the necessary technical assistance and capacity building support to ensure that African countries can effectively participate in trade negotiations.

Dear friends,

Trade can be a powerful engine of growth, as long as it takes place within an appropriate comprehensive development and institutional framework.

Africa stands to gain from globalization and liberalization, but only if there is a coherent strategy, which incorporates all the necessary ingredients needed for successfully mainstreaming trade in development.

Market access, while important, is not a sufficient condition for trade to generate growth and development.

This Brainstorming session must find ways to re-inject the commitment and urgency so badly needed to ensure that the Doha Round is a Development Round - for the sake of Africa's future.

Thank you. I wish you every success.
