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SOUTHERN AFRICAN DEVELOPMENT COMMUNITY

Statement Circulated by the Honourable Peter Kaleso
Chairperson of SADC Ministers of Trade

(As an Observer)

On behalf of the Southern African Development Community (SADC) I have the honour to convey our gratitude to the Government and people of the State of Qatar for hosting us at this Fourth WTO Ministerial Conference.

The Fourth WTO Ministerial Conference is taking place at a time when the global economy is facing a slowdown, which is even perceived by some observers as being the worst since the Second World War.

Ministers would recall that since the coming into force of the Uruguay Round Agreements, SADC members have been encountering tremendous difficulties in the implementation process in view of the asymmetries embedded within these agreements.

We believe in the multilateral trading system as an instrument to promote economic development, facilitate integration of SADC member States into the world economy and eradication of poverty. We however note with concern that there has been limited progress in addressing implementation issues, particularly those of importance to SADC countries, thus threatening further marginalization of SADC countries. Bearing in mind the limited capacity of SADC countries to effectively participate in the multilateral trading system, SADC Ministers see the urgency in the immediate provision of adequate financial, institutional, technological and technical assistance in order to address the existing imbalances within the system.

The key issue for the Doha Conference is to achieve a fundamental development agenda that will address the existing imbalances within the multilateral trading system.

SADC reaffirms that Special and Differential Treatment for developing countries is a core principle of the WTO. The rationale for Special and Differential Treatment remains valid for developing countries in general, and SADC countries in particular, given the structural weaknesses in our economies and the respective declining share of world trade. Furthermore, SADC affirms her commitment to ensuring that S & D provisions are made meaningful and operational by adopting a decision at Doha to make them legally binding.

The importance of agriculture in the economies of SADC member States cannot be overstated. Notwithstanding geographic and climatic diversity and other country specificities, the agricultural sector in SADC member States is the main source of rural livelihoods and, in general, employs more than two-thirds of the labour force. Preferential schemes that guarantee access of

African products are therefore key to sustaining the livelihood and employment situation in SADC and other African countries.

Given the role of agriculture in the SADC region, the reform process should:

- Strengthen the rules and disciplines governing trade in agriculture to promote development;
- ensure that trade liberalization takes into account developmental issues such as food security, sustainable rural development and poverty alleviation;
- ensure commercially viable market access for all agricultural products originating in developing countries including those at the higher end of the processing chain;
- level the playing field in the international trading system, taking into account different structural constraints among countries.

SADC calls upon the WTO to address problems arising from high levels of protection and domestic support in developed countries and for a reduction of tariff peaks and tariff escalations.

SADC welcomes the decision taken on agriculture on Net Food-Importing Developing Countries (NFIDC) and the establishment of the revolving fund to meet food import bills, in accordance with future price increase above a certain threshold, on condition that imports are from open and competitive markets.

SADC recognizes the progress made on Trade in Services for the economic growth and development of all trading partners but would like to see progressive liberalization while recognizing the national policy objectives and varying developing levels of SADC countries. Negotiations should be guided by the objectives of Articles IV and XIX of GATS; as the processes of regional integration form part of our collective approach to the multilateral trading system.

With regard to access to medicines, SADC reaffirms the flexibility contained in the TRIPS Agreements, whereby Members can take actions to allow for easy access to medicines to combat communicable diseases, in particular HIV/AIDS, tuberculosis and malaria be upheld.

SADC also reiterates the need for the protection of traditional knowledge in line with the Convention on Biological Diversity.

Action should be taken towards the realization of technology transfer objectives as envisaged in Articles 7, 8 and 66.2 of the TRIPS Agreement and other relevant provisions of WTO Agreements.

SADC recognizes that the existing trade preferences that have been accorded historically to developing countries should be made more meaningful and binding. New or enhanced preferences should be granted to developing countries and LDCs over and above the terms and conditions of existing preferential market access including through a combination of less stringent Rules of Origin, SPS Measures and technical requirements.

SADC expresses serious concern on the continued delay in granting a waiver for the ACP-EU Partnership Agreement and further calls on the WTO Members to expeditiously grant the waiver for the Cotonou Agreement.

Regarding Singapore issues, SADC recognize that issues such as trade and investment, competition, transparency in Government procurement, trade facilitation, trade and environment and

e-commerce are important. However, SADC is of the view that these issues are not a priority at this stage and that the on-going study processes should continue in order to prepare for possible future work.

SADC reiterates the decision taken at the Singapore Ministerial Conference, regarding core labour standards.

SADC member States support the establishment of a work programme for small economies and working groups on trade and debt, and technology transfer under the auspices of the General Council.

With regard to Market Access for Non-Agriculture products the position of SADC is that negotiations on industrial tariffs is conditional on a clear demonstration of commitment of developed countries to provide meaningful market access for exports from least-developed countries, small economies and landlocked countries, and developing countries with the view to eliminating protection for industries for which SADC member States possess competitive advantage. SADC also recognizes that effective participation in negotiations in this area must be preceded by technical analysis to identify precisely, the challenges and opportunities involved in industrial tariff negotiations.

On capacity building and technical assistance, the SADC Ministers note the urgent action needed in strengthening negotiating capacities of SADC member States. In this respect the SADC Ministers call for a significant increase in the WTO and UNCTAD regular and extra budgetary provisions to enable planning and programming for technical assistance and capacity building.

SADC calls on WTO Members to grant her permanent observer status.

SADC calls for a decision to be taken in Doha on transparent and inclusive decision-making in WTO that is vital in maintaining confidence in the organization.
