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LESOTHO

Statement by the Honourable Mpho Meli Malie
Minister of Industry, Trade and Marketing

On behalf of the Lesotho delegation and on my own behalf, I wish to express our profound gratitude to the people and Government of the State of Qatar for the excellent arrangements put in place for this Conference. We are particularly gratified to see the excellent and generous facilities put at our disposal to facilitate our participation in this historic conference.

This meeting is taking place against a background of a series of fundamental developments in the international community and in particular in the global economic order.

At the regional level, African Heads of State and government recently adopted the New Africa Initiative (NAI) at their Summit in Lusaka, Zambia. The NAI epitomizes the need to rejuvenate the development dimension in Africa. This initiative symbolizes the realization by African leaders that no one will rescue Africa from the problems of grinding poverty and economic underdevelopment except Africans themselves. The challenge therefore, is how to mobilize our material and human resources to work towards the achievement of the ideals of NAI and indeed the Abuja Treaty establishing the African Economic Community.

The fast changing, complex global economy, with ever increasing competition, dictates that we in Africa should position ourselves at the world centre for development. These developments have added an impetus to our efforts to ensure that Africa is not marginalized in the global decision-making process.

It will be recalled that when we met in Seattle for the Third WTO Ministerial Conference, one of our priorities then was to secure improved and predictable access for our exports into the markets of our more developed trading partners. To this end we note with appreciation the efforts of the WTO and in particular the personal contribution of the Director-General to advocate for the extension of improved market access for products of export interest of least-developed countries.

We also wish to register our gratitude to the European union for its "everything but arms" initiative which once operational seeks to improve market access conditions for products of LDCs

While applauding these initiatives aimed at enhancing the access conditions of our exports, it is critical to bear in mind the fact that on their own, these initiatives are not adequate to effectively address the difficulties facing our societies at present.

There is an urgent need for this Organization to give impetus to efforts aimed at among other issues the eradication of poverty. We are convinced that the role of trade policy in poverty eradication can be further enhanced if current initiatives also aim to address all non-tariff issues affecting growth and diversification in our economies. Understanding the interlinkages between trade policy and development is for us the most critical task that this Organization is facing.

At this juncture allow me to briefly highlight developments at the sub-regional level.

At the SADC, level we commenced the implementation of the SADC Trade Protocol on 1 September 2000. The protocol envisages the establishment of a free-trade area by 2008. The negotiations that Members undertook aimed at, among other things to harmonize customs documentation and procedures and standards and technical issues. It is important also to note that at the launching of the Trade Protocol, intra-SADC trade was 22 per cent of total SADC trade and it is expected that this will substantially increase as the implementation process gathers momentum.

We are now in the process of preparing for negotiations on trade in services as provided for in the protocol. In doing so we will take into account the current obligations of Members of the WTO and in particular the ongoing negotiations under the GATS Agreement.

Furthermore, while still on the subject of our regional efforts, I wish to register our disappointment with the inability of the WTO to positively respond to the waiver application of the EU with regard to the Cotonou Agreement between the ACP and the EU. Our understanding and belief is that the multilateral trading system should be supportive of our regional efforts and not frustrate them. However, we are optimistic that this Ministerial will be magnanimous enough to grant the waiver.

As we begin our deliberations here, it is important that we outline to our partners gathered here with us our expectations on the outcome of this Conference.

Our fundamental expectation from, this Conference is a clear and strong commitment by all Members of this Organization that the WTO will place development issues at the heart of its current and future work. To realize this objective, Members will have to take steps to ensure that all development related provisions in current and future WTO Agreements are not just mere declarations but are operational tools through which an effective and meaningful participation in the multilateral trading system of the developing and least-developed countries is guaranteed.

To achieve this, Members have to commit themselves to ensuring that special and differential treatment provisions become an integral part of all WTO Agreements, current and future ones. Closely related to this is the need for Members to give meaning to the special status accorded least-developed countries in the WTO. As we have said in the past, the multilateral trading system will be judged on the basis of how it caters for its weakest members.

Agriculture is of fundamental importance to us. In this area, any commitment short of a full commitment by our developed trading partners to undertake immediate structural reforms that will result in fundamental reductions in trade distorting domestic support and export support mechanisms within an agreed time-frame, will be a clear signal that there is no political commitment to address effectively the integration of developing and least-developed countries into the multilateral trading system. You may be aware that agriculture remains the single most important sector in our economies and due to policies of some of our partners we have not been able to develop this sector in a manner that will guarantee its survival. Without these structural reforms, which should also include a

commitment to eliminate tariff peaks and escalations including all other non-tariff barriers, there can never be any success in encouraging investment into this sector.

The reality is that, unless all these measures are immediately implemented, African agriculture will remain backward and undercapitalized.

Furthermore, it is the well-cons