WORLD TRADE

ORGANIZATION

WT/GC/W/451 11 October 2001

(01-4987)

General Council

Original: English

PREPARATIONS FOR THE FOURTH SESSION OF THE MINISTERIAL CONFERENCE

Issues and Proposals for the Fourth WTO Ministerial Conference

Communication from Malawi

The following communication, dated 3 October 2001, has been received from the Ministry of Commerce and Industry of Malawi.

1. The Need to Focus on Development

1.1 Malawi believes that no new Round should be started until there has been full implementation of the agreements concluded in the last Round, and an evaluation of their effects done.

1.2 It is Malawi's view like many developing countries that the rules and disciplines that emerge from the negotiations should support efforts for strengthening supply capacities; provide flexibility in the use of appropriate policy instruments to enhance the process of structural transformation of the economies of developing countries; improve market access for products of export interest to them; and have a developmental agenda. Unless these questions are resolved, it does not believe that further negotiations on new areas should be initiated.

1.3 Malawi today, just like other least developed countries faces severe trade and economic problems, including external debt, decline in commodity prices, weak competitiveness, supply side constraints, weak institutional and human capacity, all of which affect her export earnings and balance of payment position. Regrettably, these issues are not being covered under the WTO framework, and there is no coordination with initiatives such as the UN's proposals on a new financial architecture.

1.4 Malawi, therefore, proposes that development issues should be given priority.

Its five priorities are:

1.4.1 Assistance to develop infrastructure for trade, in particular inter linkages in the transport system to overcome the problem of being landlocked. Further, multinational and regional financial organizations and bilateral and multilateral donors should give special attention to the building of infrastructure to enhance the attractiveness of LDC economies to foreign investors;

1.4.2. Further debt relief to release funds to develop supply capacities to meet new market access. In this respect, Malawi welcomes the HIPC initiative, which will go along way in helping Malawi use the resources for social and economic (productive) development;

1.4.3. Examination of the structure of commodity markets and the resulting low prices;

1.4.4. Establishing permanent institutions to facilitate technology transfer; and

1.4.5. Establishment of a trust fund to ensure that developing countries have sufficient finance to meet the costs of implementing WTO agreements and other international obligations

1.5 After considering the problems of implementation, this submission addresses the following issues considered crucial to Malawi:

- Market access for agricultural exports;
- Services;
- Intellectual property protection;
- Market access conditions for manufactures for least developed countries;
- Rules for anti-dumping actions and safeguards;
- Barriers to trade caused by Sanitary and Phytosanitary measures and Technical Barriers to Trade;
- Trade related investment measures;
- The relationship between trade and environment regulations;
- Reforms needed in the way the WTO works; and
- Needs for technical assistance.

2. Implementation Issues

2.1 Malawi is concerned that developed countries have not fully complied, in letter and spirit, with the agreements made in the Uruguay Round to provide Special and Differential Treatment (S&D) to all developing countries, and especially the least developed, or to provide technical assistance to them to meet their obligations under the WTO agreement and to take advantage of the new opportunities which that agreement created. It therefore asks that a system of review and evaluation be established to consider:

- Implementation of S&D Treatment;
- Progress on technical assistance, in particular the IF and JITAP programme; and
- The impact of the agreements on least developed countries.

2.2 The provision of S&D Treatment in the WTO Agreement was a recognition of the special situation facing developing countries, and LDCs in particular, regarding their capacity to implement the Agreement and take advantage of trade opportunities arising from the Uruguay Round Agreements.

2.3 The developing and least developed countries, including Malawi, need effective and implementable S&D provisions due to low levels of industrialization, high cost of capital, lack of adequate technology, inadequate infrastructure, lack of skilled manpower, balance-of-payments problems, and high dependence on primary products for export.

2.3 Unfortunately, since the entry into force of the WTO agreements, most of the developed countries have not honoured their commitments to the S&D provisions. As a result, developing countries and least developed countries have not achieved desired access to the markets of developed countries.

- 2.4 Malawi, therefore, proposes the following:
 - The provisions for S&D treatment under the various WTO agreements should be operationalized;
 - S&D provisions that are general in nature should be translated into more specific terms;
 - S&D provisions should be made a permanent feature in the WTO Agreement; and
 - Developed countries should be effectively committed to the implementation of the Special and Differential Treatment provisions of the WTO especially in areas of technical assistance and transfer of technology.
- 2.5 Malawi also has some more specific concerns:

Malawi, still faces difficulties in implementing the Uruguay Round Agreements. The difficulties faced are primarily attributed to weak and inadequate institutional capacity of the local implementing agencies.

2.6 The constraints which Malawi faces relating to implementation include the following:

2.6.1 <u>Notification requirements</u>:

Since the coming into force of the WTO agreements, Malawi has experienced difficulties in meeting the notification obligations. The notifications are numerous, and in some cases complex.

Malawi therefore proposes that:

- The questionnaires and formats be simplified; and
- All least developed countries should be exempted from notifying certain types of adhoc measures.

2.6.2 <u>Alignment of national laws, rules and regulations to WTO requirements:</u>

Member countries are called upon to align their national laws, rules and regulations to WTO requirements. Owing to weak institutional capacity and financial constraints, it has been difficult for Malawi to implement the requirements. Further, certain Agreements mandate the establishment of national institutions, which are a strain on the financial and administrative resource of the country.

In this regard, Malawi, proposes that:

- Transitional periods for compliance should be further extended for least developed countries; and
- technical assistance should be provided to build capacities to draft new legislation and establish institutions to administer new laws and regulations.

2.6.3 Agreement on Customs Valuation

Customs Valuation plays a crucial role given the relative dependence on customs duties as a source of most LDCs' government revenue. This holds specially true when it is considered that most

WT/GC/W/451 Page 4

least developed countries have already reduced their nominal tariffs following structural adjustment programmes.

Malawi, therefore, proposes that:

- The implementation phase of the Agreement and its possible impact on revenue and the capacity of national customs authorities to administer it should be further examined; and
- The transitional period provided for in Article XX of the Agreement should be extended in order to allow LDCs to acquire the necessary technical assistance and expertise to implement the agreement.

2.6.4 <u>Dispute Settlement</u>

While recognizing that the Uruguay Round has made a significant improvement on the efficiency of dispute settlement, least developed countries have not been able to utilize the mechanism largely due to their lack of financial resources and legal experitise associated with dispute settlement procedures. Notwithstanding this connection, Malawi welcomes the coming into being of the legal advisory centre independent of the WTO Framework, which will provide free services to LDCs.

Malawi, however, proposes that:

- An organ be established to monitor and enforce the implementation of the provisions in favour of LDCs, under the Dispute Settlement Mechanism; this organ should be funded from the WTO regular budget and housed in the WTO secretariat building.
- The Legal Advisory Centre should be able to advise on and assist in the adoption of domestic laws and measures.

For many of these implementation issues, Malawi will require technical and financial assistance.

3. Market Access for Agricultural Exports

3.1 The current negotiations on agriculture and trade in services are mandated under the Built- In Agenda of the Agreement on Agriculture and Agreement on Trade in Services. The TRIPs Agreement also has its own built-in agenda in the form of reviews of specific provisions

3.2 Agriculture is the mainstay of Malawi's economy. Food security and the maintenance of agriculture-based livelihoods are the major development goals for least developed countries. The market access of agricultural products from least developed countries continues to be adversely affected because of the following:

- the lack of specific disciplines with regard to the implementation of tariff rate quotas which stifle market access opportunities;
- the continued application of subsidies by developed countries resulting in market distortions;
- existence of high import duties, tariff peaks and tariff escalation; and
- prevalence of non-tariff barriers e.g. SPS and TBT measures.

- 3.3 Notwithstanding these limitations, Malawi shares the objectives of:
 - Maintaining and improving market access;
 - Improving her food security and protection of the environment; and
 - Addressing difficulties caused by complex technical requirements such as SPS and TBT.

3.4 It is well known that the on-going negotiations on Agriculture essentially dwell on the substantial reduction of the high tariff levels and domestic support (subsidies) making the sector more liberalized, removal of market distorting export subsidies and bringing meaningful disciplines in agriculture trade.

3.5 For Agricultural negotiations, Malawi, therefore, proposes that:

- existing quotas should be increased and bound at minimal levels, with the ultimate goal of duty free access for all agricultural products, including those in processed form exported by least developed countries;
- all least developed countries should maintain their exemption from undertaking commitments on domestic support and export subsidies;
- the Agreement on Agriculture should be reviewed to increase flexibility in the use by developing countries of the de minimis measures;
- the regulation of export subsidies should be revised to prevent subsidies with harmful effects on other countries' trade, while allowing those necessary to support the food consumption of poor people;
- financial assistance to LDCs be geared to catalyse optimal agricultural production, to assist them to increase local food production and capacity in marketing, storage and distribution and assist them to meet rising food requirements and the associated high food import costs;
- removal of export subsidies by developed countries;
- reduction of tariffs and removal of tariff peaks and tariff escalations by developed countries, for example those on cigarettes, processed tea; and
- removal of non tariff barriers and the use of barriers such as SPS and TBT for protectionist purposes in agriculture trade.

4. The General Agreement on Trade in Service (GATS)

4.1 Malawi takes note of the WTO adoption on 28th March 2001 of the guidelines and procedures for the multilateral negotiations on trade in services. According to the guidelines, there will be no prior exclusion of any service sector or mode of supply. However, special attention will be paid to sectors and modes of supply of export interest to member countries.

4.2 Under Services, Malawi proposes that:

- the Special and Differential Treatment Measures accorded to LDCs, in particular the right to regulate service sectors to meet national development policy objectives be retained;
- least developed countries have been encouraged to endeavour to strategically liberalize those services geared towards their national development policy objectives. Malawi has significantly liberalised its financial sector, but assistance is required in sequencing any liberalisation and undertaking further liberalisation;
- Malawi would also like other members to liberalise in the priority sectors such as transportation, and tourism;
- it proposes that a code be established to regulate the conditions of transit trade, under which countries would be required to offer national treatment to transit traffic;
- there is need to preserve the architecture of the GATS and to pursue the effective implementation of the provisions in favour of developing countries, notably Articles IV and XIX;
- as proposed in the last Round, a safeguard mechanism should be introduced into the GATS; and
- liberalisation of movement of natural persons under mode 4 should be given due attention.

5. The Agreement on Trade – Related Aspects of Intellectual Property Rights (TRIPS)

5.1 The TRIPS Agreement contains shortcomings unfavourable to least developed countries' interests. These include:

- non-recognition of the rights of local communities to their traditional and indigenous knowledge which may lead to unjustified patenting of their knowledge and of biological resources by foreign corporations;
- inadequate transitional periods i.e. limited periods of time are given to leastdeveloped countries for the implementation of the TRIPS Agreement;
- the scope of Article 23 of the TRIPS Agreement on the protection of geographical indications being limited to wines and spirits which are products of special interest to developed countries in particular European countries;
- lack of commitment to implement all the provisions dealing with transfer of technology to least developed countries in particular Article 66.2 of TRIPS; and
- problem of access to essential medicines as for instance demonstrated by Brazil's and South Africa's cases on AIDs-related drugs.
- 5.2 It is, therefore, proposed that :
 - under the review of Article 27.3, which provides for patentability of life forms, there should be a formal clarification that naturally occurring plants, animals, biological processes for the production of plants, animals and their parts must not be patentable;

- A provision should be incorporated to the effect that patents must not be granted without the prior informed consent of the country of origin. Further, patents inconsistent with article 15 of the Convention on Biological Diversity which recognizes the sovereign rights of States over their natural resources and further states that access to genetic resources should be subjected to prior informed consent of the contracting party providing such resources, must not be granted ;
- transitional periods for least developed countries should be extended to match their capacity to implement and benefit from the TRIPS Agreement based upon an assessment of technological capacity of LDCs;
- the common understanding that no provision of the TRIPS Agreement should prohibit members from taking measures to provide access to essential medicines at affordable prices and promote public health and nutrition should be confirmed through a ministerial declaration;
- essential drugs for example those for malaria, tuberculosis, HIV AIDS should be excluded from patentability;
- Members must retain the option to select their sui generis system for plant variety protection, including recognising traditional knowledge, traditional medicine and the rights of farmers to use, save and exchange seeds; and
- on geographical indications, the protection should be extended to other products than wines and spirits. Among those which are important for Malawi are: tobacco, coffee, tea, fish.

6. Market Access Conditions for Manufactures for Least Developed Countries

6.1 Special arrangements for least developed countries

Market access issues continue to pre-occupy many least developed countries. The initiative to improve market access for LDCs was first contained in the 1996 Singapore Ministerial Declaration by which WTO Members agreed to a Plan of Action in favour of LDCs. Among the stated objectives of this initiative, was that of taking positive measures, for example, to provide duty free market access on an autonomous basis, for products of LDCs and thus aiming at their overall capacity to respond to the opportunities offered by the multilateral trading system.

While recent initiatives have been undertaken by the major trading partners in favour of LDCs such as the Everything But Arms (EBA) and the African Growth Opportunity Act (AGOA), nonetheless, much more needs to be done in areas of non-tariff barriers such as sanitary and phytosanitary measures, technical standards, rules of origin, anti-dumping activities etc.

The position of Malawi on market access therefore includes the following elements:

- developed countries should provide bound duty-free, quota preferences on all products of export interest to least developed countries;
- developed countries should reduce and remove tariffs, tariff peaks and tariff escalations on all products particularly those from LDCs;
- duty-free treatment should be provided to all products of export interest to least developed countries; and

• all forms of unnecessarily restrictive non-tariff barriers should be removed, for instance unjustifiable packaging requirements, obstructive use of import permits, foreign exchange constraints.

6.2 <u>The Agreement on Textiles and Clothing</u>

Malawi considers that market access for textile and clothing is crucial for employment creation, foreign exchange generation and the creation of a window for industrialization.

Malawi, therefore, proposes that:

• Quota free access of LDC textiles and clothing exports be provided under special preferential trading arrangements.

6.3 <u>Rules of origin</u>

Strict, complex, and varying rules of origin are a major barrier to trade to Malawi and to other least developed countries with a high share of exports under preferential and regional agreements. Malawi therefore shares the concern of other countries that the Committee to harmonise non-preferential rules of origin has not completed its work programme within the time frame set in the agreement because of some of the following reasons:

- the complexity and amount of technical work; and
- lack of common understanding among members as to the future disciplines to "equally apply" the harmonized rules of origin for "all purpose". etc..

Considering that rules of origin have a bearing on market access, Malawi proposes that

- the above issues should be re-looked at with speed in order to achieve harmonisation and simplification of the rules of origin and documentation procedures;
- the Committee should complete its work and be authorised to start consideration of preferential rules of origin, with a view to setting a code for rules of origin that take regional trade agreements into account. For instance, based on the COMESA rules of origin; and
- the rules of origin on textiles and clothing should be harmonised and simplified to ensure effective and full utilisation of preferences.

7. Anti-Dumping, Safeguards and the Agreement on Subsidies

7.1 <u>Anti-dumping</u>

The Agreement on Anti-Dumping is complex and costly to use, and can be misused to amount to harassment of exporters. The process of initiation and application is very burdensome. Least developed countries are neither able to defend their industries against dumped imports nor able to protect their legitimate interests of their exporters. However, anti-dumping is an important instrument that can be used by least developed countries as they liberalize and participate more in the international trading system.

The following proposals are, therefore, advanced:

- the process of investigation on dumping which is expensive, complex and cumbersome should be simplified to enable least developed countries to undertake thorough investigations;
- LDC exports, in particular textiles and clothing, should be exempted from antidumping measures;
- the level of negligible imports should be increased to a level higher than the current 3% on the basis of empirical research demonstrating a positive trade impact;
- the cumulation of suppliers that individually meet the negligibility criteria using the 7% rule should be eliminated;
- questionnaires should be simplified, focusing only on necessary information; and
- consideration should be given to the preparation of a standard questionnaire.

7.2 Agreements on Safeguards Measures

Just like the Agreement on Anti-dumping, the process of investigation for, and the procedure involved in the initiation of a safeguard action are very complex and technical. However, with the liberalization of the import regime, LDCs may find themselves more frequently in situations where they may need to use safeguard action themselves.

In this regard, Malawi proposes that:

• LDCs should be exempted from all safeguard actions.

7.3 Agreement on Subsidies and Countervailing Measures

Malawi recognizes that subsidies can play an important role in the economic development programme of least developed countries. However, many of these countries do not possess the financial resources to subsidise.

While subsidies commonly used by developed countries (e.g. subsidies on Environmental Protection) have been categorized as non-actionable those subsidies that are needed by developing and least developed countries for industrialization and development (such as cheaper provision of finance for investment and working capital) have either been prohibited or made actionable.

In this regard, Malawi proposes the following:

- Non-actionable categories of subsidies should be reviewed to include those subisidies for development, diversification and upgrading of infant industries, which are needed and are commonly used by least developed countries;
- Export subsidies applied by least developed countries should be exempted from export competitiveness thresholds; and
- The de-minimis subsidy level for countervailing duty investigation should be increased from 2% to 15% for developing countries' exports.

8. Sanitary and Phytosanitary Measures (SPS) and Technical Barriers to Trade

8.1 <u>SPS measures</u>

WT/GC/W/451 Page 10

SPS measures have to a larger extent constituted major barriers to agricultural exports from least developed countries. LDCs' exports to developed country markets have often faced various sanitary and phytosanitary measures that have constituted market access constraints and trade barriers. Worse still, some of these measures have been applied unilaterally.

Malawi, therefore, proposes that:

- the provision given in Article 10 of the SPS Agreement which stipulates that "developed countries should take account of the special needs of the developing countries in the preparation and application of the sanitary and phytosanitary measures" should be made more concrete by committing developed countries to provide technical assistance to LDCs; and
- Members should adhere to the SPS Agreement by avoiding unilateral measures.

8.2 <u>TBT</u>

Malawi recognizes that the TBT Agreement has a significant potential in ensuring that technical regulations, standards, guidelines and procedures of conformity assessment do not create unnecessary obstacles to international trade. However, there are certain issues which are of concern to least developed countries, including Malawi. These include:

- TBT measures that are related to Process and Production Methods (PPMs);
- inadequate capacity of LDCs to effectively participate in the preparation of international standard making process; and
- limited technical knowhow to improve product quality of major export markets.

In this regard, Malawi proposes that:

- Interests of LDC should be taken into account by international and regional standardisation bodies in preparing standards, guidelines and recommendations; and
- Participation of LDCs in international standard setting bodies should be enhanced.

8.3 <u>General</u>

Any new SPS standards or TBTs, which impose costs on least developed countries should be conditional on provision of technical assistance by developed countries or international agencies to enable them to comply.

9. The Agreement on Trade-Related Investment Measures (TRIMs)

9.1 Trade-related investment measures (TRIMs) continue to be an important policy tool for strengthening LDCs production and export supply base. Malawi does not maintain any of the prohibited trade-related investment measures as defined in the illustrative list annexed to the Agreement.

9.2 Malawi however, proposes that the time for compliance for least developed countries should be extended for an additional 10 years. When the Agreement on TRIMS comes up for review, investment friendly measures favourable for LDCs should be incorporated.

10. The New Issues of Environment, Competition Policy, Labour Standards, Investment, and Electronic Commerce

10.1 Malawi just like other least-developed countries is concerned about the inclusion of new issues in the future negotiations. Currently, the existing issues have not been fully understood and implemented. It is, therefore, important that more studies and exploratory work be done on the new issues before positions are undertaken.

10.1.1 <u>Trade and Environment</u>.

Malawi is a keen advocate of environmental conservation, and recognises the right of countries to protect themselves from the risks which can be posed by new plants or processes. It encourages the regulation of environmental concerns through multilateral environmental agreements. However, Malawi objects to any move to use environmental measures as a barrier to trade, and supports the requirement that any measures taken by individual countries do not discriminate between national production and imports of the same product.

Malawi's view is that before going further and "mainstreaming" environment into the WTO, more analytical work should be done.

In this regard, Malawi proposes that:

- environmental circumstances should never be used for protectionist purposes against LDCs' products; and
- more studies should be done on the relationship between trade and environment, and trade and development and also on trade, environment and poverty.

10.1.2 Trade and Competition Policy

Malawi recognises that restrictive business practices may impede the realization of the benefits that could arise from the implementation of WTO Agreements. Further, Malawi is of the view that restrictive business practices particularly those restraining competition should be removed. However, the benefits of competition policy are more likely to be realized in the context of sufficient supply capacity. This is lacking in Malawi and most LDCs. Prevalence of market imperfection, in particular with reference to market entry and exit and supply–side constraints make it difficult for LDCs to enjoy the benefits of competition policy. Least developed countries also lack capacity to enforce competition law and policy. The relationship between competition policy and economic development is a complex one.

Malawi proposes that:

• analytical work on trade and competition policy at WTO should continue.

10.1.3 Trade and Labour Standards

The subject of labour standards is not on the WTO's formal agenda, but seems very much on the negotiating agenda for many developed country members. Malawi re-affirms the position taken at the Singapore Ministerial conference that Labour issues are the mandate of the International Labour Organisation (ILO).

10.1.4 Trade and Investment

It is well known that a working Group was established at the Singapore Ministerial Conference to examine the relationship between trade and investment. The Group has not yet completed it work. In this regard, Malawi proposes that the group should continue its study process and that the outcome should contribute to facilitating investment flows to least developed countries.

10.1.5 <u>Electronic Commerce</u>

The growing importance of Electronic Commerce in global trade led to the Ministerial Declaration on global Electronic Commerce in May, 1998. Although Malawi has not fully developed the capacity to effectively participate in e-commerce, there is need to consider E- Commerce issues in relation to the economic, financial and development implications and therefore, there should be a careful evaluation of any proposals before bringing in these issues into the WTO mainstream agenda.

11. Reforms to the WTO System

11.1 Malawi believes that the WTO needs to review the way in which the WTO operates to make participation easier for developing countries and to increase transparency. The staffing and resource constraints of developing and least developed countries should be taken into account in setting the number and timing of, and in calling, meetings of the WTO.

11.2 The WTO Secretariat and Director General should be de facto and de jure neutral in preparing for possible negotiations. This will be in the spirit of Article IV(4) of the Marrakesh Agreement Establishing the World Trade Organization.

12. Capacity Building and Technical Assistance

12.1 Malawi attaches a lot of importance on technical assistance provided under the various WTO agreements. Further, Malawi welcomes the Integrated Initiatives for Trade-Related Technical Assistance which was adopted at a High Level Meeting (HLM) in October, 1997 pursuant to the decision taken at the WTO First Ministerial Conference in Singapore in 1996. The initiative provides a coherent framework of cooperation among least developed countries and the six core agencies namely, the World Bank, IMF, WTO, UNCTAD, UNDP and ITC.

12.2 Capacity building is at the core of needs from least developed countries in their effort to fully and effectively integrate into the world economy and the multilateral trading system and should therefore be at the core of the WTO multilateral agreements, taking into account full participation by local authorities as well as mainstreaming trade into the poverty reduction strategies.

12.3 Malawi proposes that more technical assistance should be targeted at least developed countries to support the following areas:

12.3.1 Implementation

Technical assistance be provided in setting-up administrative reporting systems in LDCs to administer notification obligations. Information points should be established with external finance in each least developed country to give full information about both WTO requirements and sources of technical assistance for help in complying.

- financial and technical assistance be provided to least developed countries to develop their institutional capacities and align their national laws and regulations to WTO requirements;
- the Integrated Framework for Trade Related Technical Assistance in favour of LDCs should be implemented expeditiously with transparency in the selection of beneficiary countries ; and

- the JITAP programme should be extended to more developing countries, including Malawi.
- 12.3.2 <u>Support for increasing trade capacity</u>
 - More support should be provided to least developed countries as they develop and mainstream their trade policies into their national development agenda of poverty reduction;
 - Negotiating capacities of LDCs should be strengthened as an essential element in integrating LDCs into the multilateral trading system; and
 - Technical assistance and capacity-building programmes for LDCs should be provided in order to address supply-side constraints on taking advantage of new market opportunities, including development of transport and communications infrastructure, information technology, and other inputs to trade. They should have clear targets for deliverables and timetables.

12.3.3 Transfer of technology

Least developed countries require permanent systems to encourage direct links between firms in developed and least developed countries to encourage transfer of technology. Supervision is required to ensure that the technology is modern and sustainable.

12.3.4 <u>Trade facilitation</u>

Malawi recognized the need to simplify trade procedures and further believed than it is important to harmonise trade facilitation procedures. In this regard, Malawi proposes that technical assistance aimed at increasing LDCs institutional capacity in terms of both infrastructure and human resources should be enhanced.

12.3.5 <u>TRIPS</u>

- The provisions of the TRIPS agreement under Articles 7, 8, and 66.2 which required specific assistance for transfer of technology should be implemented; and
- Financial and technical assistance should be provided to prepare compliant, but development-friendly laws for LDCs and equip the intellectual property offices of LDCs including long term training in accordance with national goals.

12.3.6 Market access

In view of worldwide liberalization of textiles, least developed countries should be provided with opportunities through special measures, which will enable them to withstand the increased competition arising from the implementation of the agreement.

12.3.7 <u>Anti-dumping and safeguards</u>

- Necessary financial and technical assistance should be provided to train exporters to understand dumping issues so as to minimize the risk of antidumping actions;
- Financial assistance should be provided to set-up or strengthen the institutions that handle or administer dumping issues; and

• LDCs should be provided with technical and legal assistance for the initiation of safeguard actions.

12.3.8 SPS and TBT

- Technical assistance for SPS compliance should include, among other things, building-up capacity in the fields of accreditation and certification, provision of laboratory equipment and training of personnel; and
- Provision of technical assistance, such as technology transfer, establishment of laboratories, human resource development, building capacity in the fields of accreditation, standards, metrology and certification;

12.3.9 Environment, competition

- Financial assistance should be made available to facilitate conversion to environmental friendly production processes and methods;
- There should be availability of relevant technology transfer which can be absorbed and adopted by least developed countries to enable more environmentally sound development; and
- Financial and technical assistance should be made available to least developed countries to develop, implement, and enforce competition policy and legislation.