WORLD TRADE

ORGANIZATION

WT/MIN(03)/ST/96 12 September 2003

Original: English

(03-4865)

MINISTERIAL CONFERENCE Fifth Session Cancún, 10 - 14 September 2003

ZIMBABWE

<u>Statement by H.E. Dr Samuel Creighton Mumbengegwi</u> <u>Minister of Industry and International Trade</u>

I wish to join all those who have taken the floor before me in thanking the Government and people of Mexico for hosting this most important Conference, and for their mindful hospitality and the excellent facilities they have put at our disposal. May I congratulate you, on your election to lead our deliberations, which I very much trust will be fruitful for all of us.

We join others in warmly welcoming the new Members to our Organization, Cambodia and Nepal.

My country is a Member of the WTO because we believe in a rules-based multilateral trading system. That system should be equitable and balanced, with all Members as its architects. We are committed to work hard to attain such a system. The trade issues confronting us today are as enormous as they are full with huge implications for the development ambitions of the majority of not only Member countries but, preponderantly, of humanity as a whole. All of us have political pressures to deliver meaningful trade returns with which we can build better lives for our nations. Yet, much to the developing countries' dismay, developed countries seem bent on providing subsidies to their economic players further to condemn us to perpetual trade disadvantage. Whilst their subsidies may buy them political insurance, they should not expect us to go along when we too wish we could, likewise, shield ourselves from similar pressures and fall outs. The very survival of our predominantly rural and peasant farmers is at stake if we cannot agree to a fair agricultural trade framework. Yet the Chairman's text parades for all to see that we remain divided between those who can, and do, subsidize production and exports and those of us, the developing and least-developed countries, who should want to subsidize but cannot.

As we continue to engage our developed partners in these negotiations, we are further told that we should open our markets for industrial goods in return for some movement on agricultural subsidies reforms by them. So, where we thought we could protect our nascent industries with some moderate measures, we are asked to forego industrialization and remain purchasers and perhaps never to become competitive vendors ourselves for an indefinite time-frame. This is unacceptable to my delegation.

We are also informed that stupendous wealth could be realized by us in the services sector. The offers, so far, from developed countries are woefully unambitious. They are giving us nothing in the area of Mode 4 where our vast advantage is in the provision of unskilled and semi-skilled workers. Remedies for the erosion of preferences which could ensue from new undertakings do not give us much comfort, much less peace. The bitter medicine from multilateral financial institutions is still palpable within many of our countries. We are tired of policy experiments which invariably leave us worse off, only to have those very same institutions offer us meaningless "mea-culpas" for their

shortcomings. Let us negotiate meaningful tariff reductions with the promised "less than full reciprocity" for the weakest among us.

Our developed country partners talk of ambition and compromise. How come all too often it is the developing countries that end up compromising to accommodate the wishes of the powerful developed? The Doha Declaration was pretty ambitious yet we realize that our developed partners were only giving lip-service to most of their promised undertakings there. For example, on special and differential treatment, the Declaration called for provisions which would be "precise, effective and operational." Now, the so-called early-harvest 25 proposals out of the 88 submitted by developing countries are shown to be empty shells, devoid of any economic value. Why do our developed partners consistently stonewall on issues of such importance to us, yet they are relentlessly pursuing us to give in on issues of critical importance to them? Clearly, they do not wish us to become meaningful competitors.

Finally, let me touch on the so-called Singapore Issues - the new but not so new issues. The Marrakech Agreement setting up the WTO makes it clear in its preamble that our Organization is to facilitate trade in goods and services. But new issues are now all the rage with our partners. Let us abide by the undertakings made at Doha - there is no consensus on the four issues, and therefore negotiations cannot commence on these issues. Most of us want the "educative process" to continue so that we fully understand the implications of obligations on the new issues. Commencing negotiations on the basis of some vague "opt-in, opt-out" understanding is not an answer either. We have enough on our agenda to occupy us for a while yet. We do not wish to be burdened afresh.

Let me assure, you my delegation will cooperate with you for a fair outcome which is balanced. As we all know, an unbalanced vehicle eventually crashes - let us not turn the WTO into such a vehicle.