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ZAMBIA

Statement by the Honourable Yusuf A. Badat Minister of Commerce, Trade and Industry

On behalf of my delegation, I would like to pay tribute to the Government of Qatar for the warm hospitality accorded to us. I would also like to extend our appreciation to the WTO for arranging such a crucial gathering. Allow me also to congratulate the Minister from Botswana for her election to the position of Vice Chairperson for this Conference.

Given the time constraint, let me get to the point and state that the Multilateral Trading System is at crossroads! The expectations of our country and indeed of many other countries are very high. Unfortunately the benefits still elude us. Our inability to enjoy the benefits of the MTS are due to a number of reasons. We still face a multitude of barriers to market access. And indeed others are fundamental supply constraints. But more importantly are the structural bottlenecks caused by WTO rules. All these problems inhibit our countries to prosper. Our delegation believes that if we could address the structural constraints the other two problems relating to market access and supply response could easily fall-off.

The present structure of the multilateral trading system has inherent biases against countries such as Zambia. It is not designed to address our interests. On the contrary, it causes perpetual injury. It is for this reason that we feel that the resolution of the problems of implementation is crucial to the easing of the burden that we bear.

Zambia as one of the least-developed countries shares concerns about the marginalization of the LDCs in the multilateral trading system. These countries have not derived, and continue not to derive benefits due to continued barriers to trade by the developed countries. This has mainly been as a result of restricted market access of goods of export potential from LDCs. This problem has also been compounded by local supply constraints mainly as a result of the heavy debt burden, which has restricted investment to build the export base.

In addition, many of the LDCs, including my country, do not participate effectively in the negotiations and decision-making due to lack of human and financial resource constraints. This is compounded by the exclusive nature of the decision-making process as well as information asymmetry within the WTO framework.

At this stage, and for purpose of WTO's legitimacy, we cannot afford to have the present system continue to prejudice or harm the interests of its most vulnerable Members. Thus, it is imperative that the current vexing problems of implementation and others are resolved.

It is important therefore, to adequately address the issues of implementation before we take on board any new issues as well as industrial tariffs. In regard to new issues, we need to know more

about them. This is why we propose that the working groups continue with the study process until a consensus is achieved.

We ask WTO Members to commit themselves to a much more inclusive and participatory decision-making system. My country, Zambia, and other countries in a similar position, would like to participate effectively and ensure a fair system of distributing the benefits accruing from the multilateral trading system. The matter of inclusivity in the consultations is very crucial because it has implications on the outcome of these discussions.

It is my view, that the issues of implementation should not be seen from a narrow angle. We have to be willing to take a long-term view, with priority given to developing a good balance in the rules and in implementation. This is important, so that we have an equitable outcome in terms of benefits. This approach will ensure that globalization has a positive outcome, and will benefit developed as well as developing countries.

For Zambia, some of the priority implementation issues to be resolved are as follows:

1. Agriculture

Zambia has liberalized the agricultural sector to the furthest extent possible under the structural adjustment programme. The levels of liberalization attained have gone beyond those required by the multilateral agreement in agriculture. At the same time, Zambia's raw materials exports face high tariff barriers in major markets, substantially higher tariffs and increasingly higher non-tariff barriers in dynamic and high value added products in developed country markets. Now the Zambian people are questioning whether liberalization and religiously following WTO rules is beneficial to the economy. The feeling of withdrawal among the Zambian people is always hovering around. The principle of reciprocity is not followed by our trading partners. Certainly this cannot be a sustainable option. In this regard, we would like the following decisions to be adopted: Immediately implement bound duty-free and quota-free market access conditions for exports originating in LDCs, which should cover all agriculture products in their primary, semi-processed and processed forms." This will immediately translate into tangible benefit.

2. Sanitary and Phytosanitary Measures and Technical Barriers to Trade

These measures pose a big problem on products of LDCs. Most LDCs cannot meet these conditions as they exert heavy financial burden on them. Therefore, the introduction of any new measures affecting a product of an LDC should be preceded by the provision of adequate financial and technical assistance to enable the LDCs to adequately respond to the introduction of such measures without incurring negative effects.

3. Trade Related Investment Measures (TRIMs)

TRIMs inhibits exploitation of the developmental potential of LDCs by limiting the usage of this vital instrument for development. We therefore, propose that LDCs are exempted from the disciplines of the TRIMs Agreement. Zambia requires the option of introducing these measures in furtherance of its developmental goals.

4. TRIPS

TRIPS poses many problems for LDCs. We are concerned that this issue has taken long to be resolved by our Ambassadors in Geneva. We therefore, call for a quick resolution of the problems associated with this Agreement. I will not go into the details – suffice to mention that the issues should include implementation of provisions on technology transfer and reaffirmation that nothing in the TRIPS Agreement prevents governments from intervening in public health concerns.

The Integrated framework remains a potential instrument for delivering coordinated trade and trade-related technical assistance to LDCs and to mainstreaming trade issues in the design and implementation of the PRSP interventions. We urge that adequate funding be provided and transparent procedures for accessing these funds be developed.

In conclusion, on new issues, we wish to reiterate our position that the Working Groups should continue their work until consensus emerges.

Finally, let me join others who have spoken before me to congratulate the Government of the People's Republic of China for successfully acceding to the WTO. We know that China is our all weather friend and will continue to advocate the interests of developing countries in the MTS. Zambia has and will continue to trade with the People's Republic of China. We also wish to extend our congratulations and warm welcome to the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu to the World Trade Organization.
