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BURUNDI

Statement by H.E. Mr. Darius Nahayo Minister for Trade, Industry and Tourism

On behalf of the delegation of Burundi and in my own name, I should like to undertake the agreeable task of expressing warm thanks to the American Government and people for their welcome and hospitality since our arrival here.

We should also like to thank the Secretariat of the World Trade Organization and the Government of the United States for the high standard of work at the Conference.

We take the opportunity to congratulate Mr. Mike Moore on his election as head of our Organization and wish him every success with his new responsibilities.

As Burundi has already done on other occasions, we reaffirm our attachment to the objectives pursued in the Marrakesh Agreement Establishing the World Trade Organization.

We have taken trade liberalization measures both for goods and services and will continue to do so.

In trade in services in particular, we have gone beyond the commitments assumed when we joined the WTO by liberalizing telecommunications services.

Access to Burundi's market has therefore been vastly improved. Nevertheless, the benefits that we hoped to derive from application of the WTO Agreement have not materialized and, like other countries in the same situation, Burundi is not fully integrated in the multilateral trading system.

It should be stressed, however, that the strength of the multilateral trading system lies in its equity. If it is only beneficial to some of the Members who believe in it, its long-term continuity is not guaranteed.

It is therefore essential that the Third Conference focus on the best ways of allowing all Members of the WTO, especially the least-developed countries, to benefit from the system.

Burundi considers that the WTO Agreement contained the outline for integration of the least-developed countries, but it has not been followed.

Like other countries in the same category, Burundi continues to lack the human and institutional capacity to implement the WTO Agreements. Moreover, the small scale of production for export remains the major constraint to benefiting from the Agreements.

In order to enhance the WTO's capacity to integrate least-developed countries such as Burundi in the global economy and in international trade, improvements must be made in the preferential provisions contained in the Uruguay Round Agreements on special and differential treatment, technical assistance, coherence among institutions and the integrated framework.

Burundi would like to suggest improvements that should be made to these provisions and hopes that the Conference will take them into account.

Special and differential treatment

Non-reciprocal tariff preferences should remain in effect and constitute the basis for future negotiations between the least-developed and developing countries and developed countries. The trade agreement that will take the place of the Lomé IV Convention should enshrine this principle. The legal obstacles in the WTO Agreement should not be used as a pretext for calling these preferences into question as long as there is a definite political will on the part of our partners in the industrialized world.

The same reasoning should apply to unilateral tariff preferences and the Generalized System of Preferences.

Job creation and income generation constitute major objectives in the WTO Agreement but in the poor countries they can only come about by promoting the processing of products usually exported in their untreated state.

We call on our partners in the developed countries to help us to achieve this goal by eliminating tariff peaks and the escalation of import duties on our exports of processed or semi-processed products to their markets.

Transitional periods are needed to allow our countries to adapt their structures and bring legislation into line with the Agreements we have signed. These periods must be extended when beneficiary countries so request.

The granting of transitional periods should not be an objective in itself however. The countries benefiting in fact remain outside the international trading system during the transitional periods. The goal should be to develop a programme to support our countries so that at the end of the transitional periods they will have put in place the appropriate structures and legislation.

The fact of the matter is that most of the transitional periods will shortly end without appropriate structures and legislation in place.

We are moving towards an extension of these periods, in other words countries will remain permanently outside the system. The transitional periods should therefore be accompanied by programmes to build capacity and strengthen institutions that can respond to the obligations undertaken and benefit from the advantages of belonging to the WTO.

Technical assistance

Most of the Uruguay Round Agreements provide for technical assistance by the developed countries in favour of the developing and least-developed countries to help them implement the Agreements.

It can be seen, however, that this assistance has rarely been given. We have noted two reasons for the failure to provide the assistance. On the one hand, the technical assistance provisions in the Agreements are mostly drafted in the form of recommendations or even desiderata. They are

not enforceable in any way. Furthermore, these provisions do not oblige States supplying assistance to follow the principle of non-discrimination. Countries giving technical assistance are free to fix the list of countries benefiting from their assistance. This situation leads to inequity, a principle that is contrary to the GATT system.

We therefore propose that technical assistance be devoted to meeting the adjustment needs of the countries benefiting from it during the transitional periods, especially the least-developed countries, and that assistance programmes be predictable, covering all countries that need them.

Inter-institutional coherence

Despite the existence of clear provisions in the WTO Agreement on the coherence that should exist between the WTO and other international institutions with regard to the elaboration of economic and trade policies, we do not see any concrete signs of it. On the contrary, each of the institutions concerned continues to give priority to its own policies, particularly in the case of cooperation programmes with developing countries. In many instances, our countries remain subject to conditionality that goes beyond the commitments undertaken in the WTO and the advantages that should be derived from the Uruguay Round Agreements.

Moreover, some institutions do not have any special programmes to promote the development of least-developed countries, despite the objective of improving their integration into the global economy and the multilateral trading system. The coherence envisaged should therefore take full account of the development needs of least-developed country Members as recognized in the WTO Agreement and special programmes in their favour should be drawn up to speed up their integration.

Integrated framework in favour of the least-developed countries

The current integrated framework has only applied to some least-developed countries. Burundi has not benefited from measures under the integrated programme even though it submitted the evaluation of its trade and development needs in good time.

It is the general view that action under the integrated programme has not covered all the basic needs of the least-developed countries benefiting from it.

One of the essential needs that has not been dealt with is production for export, which remains small-scale and uncompetitive.

The current integrated framework should be improved so that it involves all least-developed countries without distinction and provides solutions to the basic needs identified by the countries concerned. We ask that Burundi be included in the list of countries benefiting from action under the integrated programme.

The problem of integrating least-developed countries in the global economy and the international trading system will not be dealt with satisfactorily unless a lasting solution is found to their overwhelming external debt burden.

Their meagre export earnings are used to pay the external debt, even foreign loans are essentially used to pay the debt. This situation negates all the development efforts undertaken by our countries.

Consequently, it is high time to examine the relationship among trade, indebtedness and development so as to see to what extent the external debt of the least-developed countries could be cancelled or at least considerably lightened. Export earnings could then be used for development programmes that would promote our integration in the global economy and international trade.

It is in this area in particular that we are awaiting a practical sign of institutional coherence.

Regarding new themes, Burundi does not oppose new negotiations on these issues. We consider that the multilateral rules and disciplines in all trade-related sectors should be strengthened. The absence of rules leads to arbitrariness and unilateralism. Nevertheless, equity and equal opportunities for all Members must remain the leitmotif of the negotiations.

By agreeing to negotiations on new issues, our countries undertake additional and new obligations that exacerbate the problem of implementing those already contained in the present agreements. It is therefore necessary to take due account of this new constraint for our countries during the negotiations.

An evaluation of the implementation of the Uruguay Round Agreements should be carried out before negotiating on new subjects. The evaluation should lead to the elaboration of a strategy to build the capacity to implement the current agreements and the agreements to be concluded in the future, while at the same time increasing the opportunities for least-developed countries to derive benefits from the WTO agreements.

Negotiations on new themes should last the time needed to allow the least-developed countries to apprehend what is at stake in the issues being discussed and undertake commitments consistent with their national interests.

Lastly, some issues should be discussed taking into account all their aspects and not simply be considered as purely trade subjects. For example, social standards, the environment and the patentability of living organisms should not be tackled purely from the point of view of trade. This also applies to cultural goods and services. Harmonization is difficult to achieve and the WTO is not the only institution or even the institution best adapted to deal with these questions.

We hope that Seattle, a city with a wide diversity of culture and at the same time one of the most economically dynamic, will have a positive influence on the work of this Conference.
