



NAIROBI FOURTH CHINA ROUND TABLE

WTO ACCESSIONS AND THE MULTILATERAL TRADING SYSTEM

SPECIAL SESSION: LEAST DEVELOPED COUNTRIES: WTO ACCESSIONS AND POST-ACCESSION – DOMESTIC REFORMS AND THE BENEFITS OF WTO MEMBERSHIP

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*Statement by Mrs. Zhao Hong, Commissioner of Negotiation Department for WTO Affairs,
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"China's Aid for Trade on Post-Accession"

Honorable Minister Amina Mohamed,
Honorable Deputy Director General David Shark,
Distinguished representatives,
Ladies and gentlemen,
Friends,

Good morning!

It is my great pleasure to attend this Round Table and share with you China's "aid for trade" efforts since its accession to the WTO. China and Africa share a common future and enjoy widespread common interests. The convening of this Round Table in Kenya has reflected the spirit of unity, friendship, cooperation and development between China and Africa. Please allow me to first express my heartfelt gratitude to the Kenyan government for its considerate organization and logistics arrangement of the meeting. I would also like to convey my appreciation to the WTO Secretariat for its work and achievements in promoting the accession of new members to the WTO.

Ladies and gentlemen,

Trade is the engine of economic development. The participation in the economic globalization and the ultimate attainment of development goals by the LDCs cannot be realized, without

the support from the international community to them for infrastructure and trade-related capacity building. At the same time, WTO accession is a painstaking process calling for tremendous input of human, material and financial resources, and undoubtedly poses a more arduous task for the LDCs, given their weak economic foundation and shortage of resources. Moreover, even the LDCs that are already WTO members may not be able to fully enjoy the benefit of the multilateral trading system due to the limit of their development levels.

As a necessary complement to the Doha Development Round, Aid for Trade has played an important role in assisting LDCs to score economic development and social progress, especially to integrate into the multilateral trading system and enjoy the deliverables of trade liberalization. China, a big developing country itself that spent 15 years in its accession, has empathized with other developing countries and the LDCs in their difficulties during the economic development. Therefore, though still an aid-receiver, China has been actively supporting the Aid for Trade initiative of the WTO, and under the framework of South-South cooperation, has done its utmost to provide assistance within its capacity to the developing countries, and especially the LDCs in various ways.

In practice, we follow a foreign aid policy with Chinese characteristics, namely respecting the will of aid recipient countries and formulating aid plans through friendly consultations on the basis of equality and mutual benefit. In the area of Aid for Trade, the measures taken by the Chinese government are rich in content, diversified in form and evident in effects, and bear the following features.

First, improve the production capability and promote trade development. So far, China has constructed about 320 economic infrastructure projects in 51 African countries with the aid it provided, accounting for 25% of the total number of projects that China assisted Africa to build. Including 165 transport infrastructures, 74 electricity facilities and 80 information and communication facilities, as well as many bridges, roads, ports and airports, these projects have considerably improved the conditions for goods transportation and information construction in the recipient countries, played an irreplaceable role in driving local economic development, betterment of people's livelihood and expanding trade scale, and were highly regarded by the vast African friends. In 2011, China and C4 reached a cooperation consensus and widened its scope in 2013 to cover supply of agricultural and farming materials, demonstration and popularization of planting technologies, training of management and technical staff, technological upgrading and transformation of projects and extension of cotton industrial chain, effectively helping the development of cotton industry in relevant African countries and yielded good results.

Second, intensify investment and improve infrastructure. In recent years, China has attached importance to making investment in developing countries and the LDCs, and consistently expanded its investment value in Africa through such ways as China-Africa Development Fund and building of Sino-African economic and trade cooperation zones. By the end of 2014, Chinese enterprises established over 3,200 companies in 52 African countries in traditional industries like construction, mining and manufacturing, and emerging

sectors like finance, scientific research and professional and technical services. The cumulative investment value amounted to 100 billion USD, including more than 30 billion USD worth of FDI. It is noteworthy that railway has become a new highlight in China-Africa economic cooperation. The Mombasa-Nairobi Railway Project cooperated by China and Kenya, and the costal railway project signed by China and Nigeria will both help improve the local transport networks, accelerate economic development and create more jobs.

Third, enhance market access and expand import of goods. With a view to effectively promoting the export of developing countries and LDCs to China, starting from 2005, China has been applying zero import duty to commodities of 190 tariff lines from 26 LDCs in Africa. After that, the Chinese leaders committed to give duty-free treatment to 97% of tariff lines of goods that China imports from the LDCs with whom it has diplomatic relations. With the full implementation of the relevant measures in 2015, China has made its contribution to earnestly honoring the commitment to Hong Kong Ministerial Declaration and promoting the negotiation of DFQF issue in DDA. To date, 33 LDCs with diplomatic relations with China enjoy the above treatment, while similar arrangements with other countries are being made. Since 2008, China has, for many consecutive years, been the largest export market of LDCs' products, and imported one fourth of LDCs' total exported goods.

Fourth, strengthen support and help integrate into the multilateral trading system. In order to help LDCs participate in the multilateral trading system, China has begun to donate to the WTO Aid for Trade Initiative since 2008, and sponsored the "China Program" in 2011. Under its framework, China held the first Round Table in Beijing in 2012 and issued the Beijing Declaration, exerting positive impact on the efforts to streamline the procedures for LDCs to join the WTO. The following two Round Tables also bear rich fruits. By holding Round Tables on the accession of LDCs and funding the internship of staff from LDCs etc, China, with its concrete actions, has played a proactive role in pacing up the accession process of LDCs and made major contribution to support the participation of LDCs in the multilateral trading system and economic globalization.

Ladies and gentlemen,

China always holds that the LDCs need the WTO and the WTO needs the LDCs. The accession of more LDCs to the WTO family is not only conducive to their effective involvement in the multilateral trading system represented by the WTO, integration into the economic globalization process, getting out of poverty and realizing rapid and comprehensive development, therefore helping with the sustainable stability and prosperity of the world, but also can further enhance the universal and representative nature of the WTO, and consolidate and strengthen the rule-based multilateral trading system.

In the future, China will adhere to the principles of sincerity, practical results, affinity and good faith in forging its relations with Africa, actively implementing the important outcomes including the Ten Cooperation Plans proposed by President Xi Jinping at the Johannesburg Summit of The Forum on China-Africa Cooperation (FOCAC), adapt to the trends of times,

intensify the work of Aid for Trade and start by helping LDCs pace up their industrialization and modernization, promote capacity collaboration and other strategic cooperation, in light of the needs of developing countries and considering the Belt and Road among other cooperation initiatives. By utilizing the mechanisms for multilateral and regional cooperation such as FOCAC, 10 plus 3, Greater Mekong River sub-regional cooperation, China-Caribbean Economic and Trade Cooperation Forum, and China-Pacific Islands Economic Development and Cooperation Forum, China will forcefully push forward its cooperation with other developing countries and the LDCs in industrial and agricultural production, infrastructure construction and capacity building, help them develop their economy, get integrated in the global value chains (GVCs), industrial chains and supply chains, lift their positions in the GVCs, and make contribution to the attainment of the 2030 sustainable development goals.

Thank you.
