

**South African Statement to the 9th World Trade Organisation (WTO)
Ministerial Conference – Bali, Indonesia**

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Dr. Rob Davies, MP

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Mr. Chairman,

Let me start by sincerely thanking the Government and People of Indonesia for their generous hospitality in hosting this Ministerial Conference.

As we gather here in Bali for MC9, it is important to recall that the Doha Round was launched in 2001 with an explicit commitment to place the needs and interests of developing countries at the heart of its work programme.

We had agreed to “address a number of implementation problems of developing countries” because we recognised that the agreements inherited from the Uruguay Round were unbalanced and biased against developing countries.

We had also agreed that “Special and Differential Treatment is an essential part of WTO agreements” and went further to agree that these provisions need strengthening to make them “more precise, effective and operational”.

Importantly too, we agreed that Agriculture would be at the centre of the Doha Development Agenda.

It is also important to state that, for South Africa, trade policy and outcomes for trade negotiations must provide the policy space for industrialisation and support for economic diversification.

It is also important to state that South Africa and fellow African countries have also embarked on an ambitious “development integration” process that will underpin our envisaged continental Free Trade Area in Africa. The development integration paradigm combines market integration, cross-border infrastructure development and policy coordination in pursuit of diversified and higher value-added production.

These development objectives inform South Africa’s approach to multilateral trade negotiations and we believe that this Conference should reaffirm the core development principles and mandate that have underpinned the Doha Round since its start. Indeed, our priority remains redressing the imbalances and inequities that continues to disadvantage developing countries.

This core mandate remains as valid today as when we adopted it in 2001.

Mr. Chairman,

Given the Round’s prolonged impasse since 2008, South Africa has supported the initiation of work to advance an early harvest on a modest package by this 9th WTO Ministerial Conference in Bali. At the start of this process, we supported the view that the package should deliver on the promises made to the poorest Members of the WTO in Hong Kong and address the concerns of the Cotton 4 and the LDCs.

I want to pay tribute to the hard work and considerable skills displayed by the new Director-General in advancing the work on the Package that had been effectively stalled for most of this year.

Despite his efforts, we were concerned that the “LDC-plus” approach that was the original basis for launching work on the early harvest has been inverted and replaced by a “Trade Facilitation-plus” approach. We have been more deeply concerned that we have not established an adequate balance between the three pillars that have made up the Package, namely Development and LDC issues; Agricultural issues; and Trade Facilitation.

The LDC pillar remains weak, again postponing the legitimate demands of the poorest countries with uncertain promises of delivery in the future.

The Agriculture pillar contains nothing more than best endeavour on the critical issues of export subsidies and an “opt out” clause for an important member on the issue of tariff rate quotas. We see the critical need to find a meaningful and permanent solution to addressing the food security needs of poor people in developing countries.

The monitoring mechanism that was meant to provide creative solutions for developing country concerns may in practice be more restrictive than the existing oversight bodies in the WTO.

In contrast, the proposed Trade Facilitation text is expansive and contains many new obligations for most developing countries, which will disproportionately bear the burden of implementation. There is also no certainty that the capacity building and assistance that would be necessary for implementation would be forthcoming.

Mr. Chairman,

Securing an appropriate balance in the outcome of negotiations is, in our view, more fundamental to the sustainability of the multilateral trading system and future of the WTO.

For this reason, South Africa proposes that this Ministerial Conference focus its efforts not just on concluding the so-called Bali Package, but also on providing political guidance on the development of a post-Bali work programme.

This programme should prioritise turning the best endeavour undertakings that we have in the draft package on LDC issues and Agriculture into effective, time-bound programmes of delivery.

We should also reaffirm that the fundamental principle of special and differential treatment in favour of developing countries.

A balanced outcome on this early harvest Package would be an essential basis for re-starting negotiations under the wider Doha Round that places development at the centre of the process.

Thank you.