

PROPOSAL FOR SUB-COMMITTEE WORK PROGRAMME

The following communication, dated 17 October 2001, has been received from the Permanent Mission of Zambia with the request that it be circulated.

Proposed Work Programme for Year 2002

I. INTRODUCTION

1. In this proposal we are guided by the terms of reference of this Sub-Committee which are:
 - To give particular attention to the special and specific problems of least-developed countries (LDCs);
 - To review periodically the operation of the special provisions in the Multilateral Trade Agreements and related Ministerial Decisions in favor of the LDC Members;
 - To consider specific measures to assist and facilitate the expansion of LDCs' trade and investment opportunities, with a view to enabling them to achieve their development objectives;
2. Furthermore, it is now generally accepted that in order for technical assistance and capacity building to LDCs to be relevant, meaningful, and sustainable, it must be demand-driven and owned by the beneficiaries. That is to say, programmes for technical support must be based on the needs identified by the intended beneficiaries. The beneficiaries must play a crucial role in the design and implementation of the programmes. To translate these principles into action, the Work Programme of the Sub-Committee must be guided by certain specific procedures.
3. First, the subject matter to be covered must derive from the proposals put forward by the LDCs themselves. Secondly, the topics selected for the Work Programme must highlight the particular aspects of the subject matter that the LDCs have identified as problematic for them, in order to deepen their knowledge on how they can address these issues to their advantage. For instance in a subject matter like TRIPS, the Work Programme must not simply deal with rights, obligations and opportunities in the Agreement as it stands. It must deal with those aspects that the LDCs want reviewed, clarified, and strengthened.
4. Thirdly, the principle of ownership can only be said to work if the LDCs have a role in the selection of resource-persons and institutions that provide expertise in addressing these issues. It is also only logical and ownership-consistent that such resource persons and resource materials are

obtained from a number of other relevant sources in addition to the WTO secretariat. This could include civil society which has provided expertise and support to LDCs from time to time.

II. PROPOSED SUBJECTS TO BE COVERED

5. With the foregoing in mind, we believe that the next work programme of work must be based on two crucial documents: the LDC-III Programme of Action and the Zanzibar Plan of Action and proposals of July 2001. We believe these offer a number of themes that are particularly relevant for the formulation of the tasks of the Sub-Committee not just for year 2002 but, thereafter as well. It must be noted that the Zanzibar Plan of Action is a document prepared and agreed upon by all Ministers of Trade of LDCs. The key points of these two documents, which have been presented and discussed by LDCs in numerous fora are outlined below.

A. MARKET ACCESS

6. The LDC Ministers clearly spell out that a new legal instrument has to be identified to achieve a binding commitment on duty free and quota free access for all products including agricultural products exported by the LDCs. It calls for:

- Realistic and flexible rules of origin requirements that have to match the industrial capacity of the LDCs. Likewise, rules of origin in textiles are also to be addressed.
- Market access in services in sectors and types of services of interests to LDCs. In this area, a more precise audit of services of interest to LDCs, and the structure of the service industry can be undertaken as the basis of seminar and capacity building.

B. SPECIAL AND DIFFERENTIAL TREATMENT PROVISIONS FOR LDCs:

7. The LDCs Ministers expressed several concerns regarding the operationalisation of the S&D treatment in the WTO disciplines, in particular:

- A general assessment of the implementation of the existing provisions.
- The improvement of the S&D provisions in the TRIPS Agreement and the formulation of S&D provisions in the TRIMS Agreement. Under this item, such questions as the appropriate formula for S&D based on the developmental challenges peculiar to LDCs, could be addressed.

C. IMPLEMENTATION OF THE MINISTERIAL DECISION ON MEASURES CONCERNING THE POSSIBLE NEGATIVE EFFECTS OF THE REFORM PROGRAMME ON LEAST-DEVELOPED AND NFIDCS

D. TRANSFER OF TECHNOLOGY AND THE TRIPS AGREEMENT

8. The LDC Zanzibar Development Agenda calls for the implementation of Article 66.2 of the TRIPS Agreement, by providing the necessary incentives, and for a review and monitoring process. It also proposes that the extension of the transitional periods should be based on an assessment of the technological capacity of the LDCs. In this area, capacity-building processes could include elements like monitoring mechanisms and bench-marks that could be developed.

E. THE TRIPS AGREEMENT

9. In relation to the TRIPS Agreement as whole, Ministers agreed and made specific proposals which could be the basis for capacity building so that the LDCs could take action in line with the objectives sought therein. These are that:

- (i) The flexibility contained in the TRIPS Agreement should be used to affirm that nothing precludes the rights of Members to take action to allow for easy access to medicines to combat communicable diseases in particular HIV/AIDS, tuberculosis and malaria, etc;
- (ii) Transitional periods for LDCs to match their capacity to implement and benefit from the TRIPS Agreement should be extended based on an assessment of technological capacity of LDCs by year 2006;
- (iii) That the 27.3b review should clarify that plants, animals and parts thereof, including gene sequences and biological processes for the production of plants, animals and their parts, must not be patented. Also a clarification that members have an option to select their own sui generis system, recognising traditional knowledge and the rights of farmers to use, save and exchange seeds; as well as be in line with the OAU model law, the CBD, and the FAO;
- (iv) That geographical indications should encompass protection to products other than wines and spirits;
- (v) That there is need for legal instruments for the protection of intellectual property on genetic and biological resources, traditional instruments and folklore.

10. In relation to these concerns some questions that can be addressed could be:

- How can transitional periods be conceptualised so that they relate to actual progress in development rather than arbitrary reference points in time? What benchmarks of development need to be formulated to allow more realistic and development-based transitions?
- What can be possible elements of a legal regime constructed to respond to traditional knowledge-based systems of intellectual innovation?
- What format can maintain appropriate balance between private innovation and public goods, etc?

F. AGREEMENT ON SUBSIDIES AND ANTI-DUMPING

11. The LDC Ministers in the Zanzibar Plan of Action proposed, among other things, for the simplification of rules and procedures with regard to these measures so that they can also protect their industries and produce.

12. Inquiries and discussions could be held into what the precise mechanisms could be developed commensurate with human resource and financial capacities of LDCs; what forms of additional support they could seek?

G. TRIMS

13. In relation to TRIMS the Ministers in the Zanzibar Plan of Action agreed to exemption of LDCs from the discipline of TRIMS. Issues in this area worth pursuing could include the specific TRIMS and how they can aid expansion of domestic industrial and manufacturing capacity; examples of the past use of TRIMS in other economies and how they have contributed to development; how to formulate and apply TRIMS to maximise their benefits while preventing their abuse and other negative elements.

H. TECHNICAL ASSISTANCE AND CAPACITY BUILDING:

- The LDCs Ministers called for an expeditious and effective implementation of the Integrated Framework for trade-related technical assistance.
- They also called for a significant increase in both the regular and extra-budgetary resources of the WTO and UNCTAD to ensure the predictability and planning of the capacity building and technical assistance activities of these organisations.

14. Through an evaluation of progress of the IF, related or different and/or more appropriate frameworks of trade-related technical assistance can be concretised, and autonomous LDC processes of developing capacity building programmes both in relation and independent of the IF can be developed.

I. ACCESSION:

15. The LDCs Ministers reiterated the need for a streamlined process of accession, under terms consistent with their development, financial and trade needs and commitments not higher than those undertaken by LDC WTO members.

J. FOLLOW-UP OF THE UN LDC III CONFERENCE AND FULL IMPLEMENTATION OF COMMITMENT FIVE OF THE BRUSSELS PROGRAMME OF ACTION.

16. In the light of the above, the Zambian Delegation proposes the following Work Programme for 2002:

Sub-Committee on Least-Developed Countries

DRAFT WORK PROGRAMME FOR 2002

| Proposed date | Meeting/ Seminar | Agenda |
|----------------------|-----------------------------|---|
| | | Market access for LDCs exports: implementation of duty-free and quota free for all products. |
| | | Maximising Market Access Opportunities of LDCs: Thematic sessions on: -Requirements on Rules of Origin -Services: Market access in sectors and modes of supply of export interest of LDCs. |
| | | Implementation of the Marrakesh Declaration and Ministerial Decision on Measures concerning the Possible Negative Effects of the Reform Programme on LDCs and Net- Food Importing Developing Countries; |
| | | Special and differential treatment: Thematic sessions on: -General assessment of the implementation of existing S&D provisions; -S&D provisions in the TRIPS & TRIMS Agreements |
| | | Implementation of the Integrated Framework and Follow-up to the UN LDC-III (Commitment Five of the Brussels Programme of Action) |
| | | Progress made in the LDCs' Accession Process |
| | | Implementation of the provisions of the TRIPS Agreement on Transfer of Technology. |
| | | Technical Assistance and Capacity Building activities for LDCs. |
