

WORLD TRADE ORGANIZATION

RESTRICTED

WT/COMTD/LLDC/W/3

5 March 1997

(97-0894)

**Sub-Committee on Least-Developed Countries
Fifth Session**

Original: English

STATEMENT BY BANGLADESH IN THE CONTEXT OF THE PREPARATION OF THE HIGH LEVEL MEETING ON LEAST-DEVELOPED COUNTRIES

The businesslike manner in which you have commenced our work amply indicates that we were vindicated in the time and confidence we had repaid in you.

Your calling this meeting also could not be more aptly timed. It will carry forward the momentum generated in the preparation for the forthcoming High Level Meeting.

The delegations of the least-developed countries have also had the opportunity to brainstorm over some of the concerned issues. We hope to be able to present the resulting ideas for your consideration. The purpose is not to confront those that were, or will be, offered by others. The aim is, for those identified as "priority beneficiaries", to take part in what we truly believe should be a shared endeavour.

Any attempt to obviate problems that are effects must also involve an examination of causes. This is the best tradition of scientific enquiry. In our case the root causes of our problems are structural in nature. This fact is widely acknowledged. To totally overlook these fundamentals will be tantamount to questioning our intellectual honesty. We will not argue that the forthcoming Meeting should remove these causes; for instance, that debts should be written off then and there. But we believe a portion of the allotted time could be earmarked to discuss these. This could be done at a brief plenary. But this should not, and I underscore this emphatically, affect our substantive work on selected, and key, agenda items. That could proceed simultaneously, including if need be, with the drafting of the final document. This procedure will aid the holistic approach to problem resolution. It will redound to the benefit of all parties.

In our perception, the development paradigm involves a chain in which every concerned agency has a specific contributory role to play. Whenever any one element in the chain is constrained or impeded, we need an integrated approach to remove the difficulty.

I now refer to the WTO/UNCTAD/ITC non-paper, dated 13 February 1997. In it there appears to be an overwhelming emphasis on the build-up of the supply side capacity. Also, a tendency to somewhat downplay the critical issue of market access. This is the case in the proposed agenda and, more so, in the stated objectives. This imbalance needs to be corrected. On market access again, the text is also somewhat vague and non-committal. There is a felt need for a special preferential regime to assure improved market access for least-developed countries. This is particularly true of products where they have a comparative advantage, and the capacity to export, including under the MFA. Even if this were to be done on an autonomous basis, there could be a broad framework of some kind of commitment. It should be possible to evolve an appropriate agreed language in this regard. A conceptual advance on Singapore should not be ruled out a priori.

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The issue of commodities, and their trade perhaps, require a specific mention. Attention needs to be paid to commodities related measures which take account of existing production and marketing realities, and which do not place complete reliance on market-driven approaches.

Concerning build-up of domestic capabilities to improve the supply response, it is important that least-developed countries do not compound the existing problems of oversupply generated by the fallacy of composition involved in many countries following similar policy advice simultaneously.

To avoid the potential problems of focusing only on gaining improved preferential market access for products corresponding to current comparative advantages, least-developed countries need concrete assistance in developing dynamic comparative advantages. This could require greater specificity with policy commitments of the High Level Meeting with a view to achieving higher value-added output.

The role of FDI merits a modicum of circumspection. There should be the necessary emphasis on the issue of selectivity so that its flows match the strategic objectives to be achieved through industrial policy.

This being a high level meeting, its aim should be to obtain the political commitment to translate into action some of the outstanding measures that have been on the development agenda for a long time. It should give very special importance to much longer lead-in periods and preferential treatments for least-developed countries in the various components of the Uruguay Round Agreement.

Relevant agencies must be adequately equipped to undertake their projected role. For instance, ITC has the export promotion techniques but not perhaps the financial wherewithal. Its funding requirements must be met even prior to the Meeting. In the past, on ITC initiative, a number of developing countries had established offices for the promotion of imports from developing countries. Resource constraints now limit their effectiveness. We may discuss how their capacities can be enhanced. Similarly, developed and developing countries who are able, could be encouraged to take measures to induce investments in least-developed countries. Cells or offices for supporting this activity could be set up in the same manner as "import-promotion offices". UNCTAD's long experience with the development process must be effectively utilized, as we are positive it will be done.

Since needless delay may dampen enthusiasm, the end of June could be a suitable date for our meeting back-to-back with the Special Seminar on private sector resource mobilization. However, the time constraint must not be such so as to impair the ability of the authorities to undertake necessary and adequate preparations. Nevertheless, I understand that the Secretariats will be able to complete the preparatory process in time. They must start this without further ado.

A monitoring mechanism on implementations of Meeting decisions should also be set up.

There is no finality about all, or any, of these ideas. There is no wish to impose all, or any, of these thoughts. These will evolve further as we deliberate. These will be enriched further by other contributions. All of us want to see our Meeting succeed. All of us wish for concrete results. There is a burgeoning spirit of cooperation among nations today.

No-one wants us, the least-developed countries, marginalized: not the developed countries who are our partners-in-development; nor certainly the G77, of which we are a part. 0.4 per cent of the world's trade, and less than 2 per cent of global FDIs, are unenviable statistical shares that must be expanded. None can grudge this.

The constellation of forces is, therefore, most favourable. This is an opportunity that we must seize upon.