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MOZAMBIQUE

Statement by H.E. Mr Carlos Alberto Sampaio Morgado
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First of all, allow me to congratulate you, on behalf of the Government and people of the Republic of Mozambique and on my own, upon your election to preside over our deliberations at this Fifth WTO Ministerial Conference.

Let me join the previous speakers in thanking the Government and people of Mexico for hosting this Conference. My sincere thanks are equally extensive to the Government and people of the State of Quintana Roo, for the warm hospitality accorded to my delegation and me since our arrival in this beautiful City of Cancún, and for the excellent working arrangements put at our disposal to ensure the successful holding of this event.

My delegation fully associates itself with the statements made by the representatives of the Southern African Development Community (SADC), the African Union (AU), the Group of African, Caribbean and Pacific States (ACP) and the Least-Developed Countries (LDCs).

As rightly pointed out by previous speakers, this Round of negotiations was supposed to be a development round which would take into account the long-standing concerns of developing countries and the least developed among them, with a view to ensuring their full and effective integration in the global economy. Let us not forget that this Round was launched with the commitment the entire WTO Membership to work together to address these issues expeditiously.

In this regard, it is my delegation's view that technical cooperation and capacity-building for LDCs is a pillar of the development dimension of Doha Agenda. Mozambique is grateful to be a beneficiary of the new JITAP Programme. We expect to develop capacities for trade through this programme. We are convinced that this programme will build upon our current efforts to integrate ourselves into the global trading system. We appreciate the support of ITC, UNCTAD and WTO in this programme. We particularly look forward to support from UNCTAD on institutional building for trade negotiations.

We note with serious concern that, two years after the beginning of negotiations, very little progress has been made to realize the development ambition of the Doha Declaration, and live up to the expectations of a resounding success we had then created. Many negotiating deadlines have been missed, particularly in areas of vital importance and interest to developing countries. Many of our long-standing concerns, ranging from implementation issues to special and differential treatment, remain to be meaningfully addressed.

This lack of progress must not deter us. On our part, we stand ready to continue to work together with our trading partners to achieve long awaited solutions for increased, effective, and more meaningful participation of developing countries, especially, like Mozambique, in the multilateral

trading system. Such solutions are essential to redress existing imbalances and injustices inherent in the current international economic order fuelled by globalization and liberalization, with the WTO on the driver's seat.

My delegation would like to place on record its appreciation for some important market access initiatives taken by developed countries, such as the Everything But Arms Initiative of the European Union within the context of the ACP-EU Cotonou Agreement, the African Growth and Opportunity Act (AGOA) by the US, and other preferential mechanisms, including bilateral agreements. These mechanisms have, indeed, contributed to the real expansion of market access opportunities for our products. However, the overwhelming majority of developing countries, particularly the LDCs, among them, misses most of these market opportunities.

On the one hand, we still face severe infrastructure inadequacies that drive away potential investors who would come and invest in our countries to take advantage of the said market opportunities. With a view to overcoming this problem, we have been insisting that market access opportunities should be complemented by increased Official Development Assistance, directed to infrastructure development and upgrading, including through specific incentives to companies willing to participate in this effort.

On the other hand, we are confronted with the imposition of non-trade related conditionality in the qualifying criteria, aggravated by stringent and complex rules of origin, often inconsistent with the domestic industrial capacity of the LDCs, which exacerbates our wellknown supply-side constraints, not only in the case of Mozambique, but for all the other LDCs and the vast majority of developing countries. We, therefore, call for a speedy removal of these impediments by the preference granting countries and groups. We equally call for a comprehensive approach that combines market access opportunities with the creation of supply capacities, including adequate financial and technical assistance, which must be an essential part of this approach.

In the area of tariff reductions, I would like to reiterate our concern about the possible erosion of preferential margins and its impact on our exports. We jointly need to act together in a constructive partnership with the preference-receiving countries in search for the best ways and means to make sure that the negotiation effectively addresses this issue. We would also like to call on our developed partners to find mechanisms whereby we continue to benefit from these arrangements, or obtain equivalent benefits, while adjusting to the new situation and at the same time we attempt to diversify our agricultural and industrial export products and markets.

On agriculture, an important sector for the developing countries and the LDCs among them, including Mozambique where the majority of population lives in rural areas, we would like to stress the fact that several support measures (domestic support to farmers, export subsidies) in developed countries, coupled with tariff-bias and growing non-tariff barriers against developing country exports, have had a devastating impact on the export opportunities of developing and least-developed countries.

Our developed country trading partners should phase out these support mechanisms with the goal of completely removing them. This should, however, be done gradually to allow countries that depend heavily on trade preferences, especially smaller economies that often depend on the export of a single commodity, the necessary adjustment period. Members should also address the concerns of LDCs and Net Food-Importing Developing Countries, whose food security could be threatened or simply negated by a sharp rise in food prices resulting in the removal of trade-distorting support measures. The Marrakesh Decision on this issue must be expeditiously and faithfully implemented.

With regard to access to medicines, Mozambique reaffirms that the flexibility provisions contained in the TRIPS Agreement, whereby Members can take actions to allow for easy access to affordable medicines to combat communicable diseases, in particular HIV/AIDS, tuberculosis and

malaria, be upheld. We take note of the decision of the General Council of 30 August 2003 to implement paragraph 6 of the Doha Declaration on TRIPS and Public Health as an important step and urge all Members to expeditiously reach a permanent solution.

On the TRIPS Agreement review, we reiterate the need for the protection of traditional knowledge, through an adequate multilateral legal framework. We also emphasize the need to respect international instruments, such as the Convention on Biodiversity, the FAO Agreement on Access to Vegetable Genetic Resources and the OAU Model Law on the Rights of Local Communities to Biological Resources, among others.

We stress that negotiations on trade in services should lead to the elimination of the existing imbalances between developed and developing countries in this sector. To that end, we reiterate the need to respect the principle of progressive liberalization and in particular, the flexibility provided to developing countries and the LDCs among them to open fewer sectors, in line with their national development objectives and strategies, as well as their right to regulate trade in services.

On Singapore Issues, we are of the view that these need more clarification. Technical assistance should be provided to developing countries, especially LDCs, in order to ensure their effective participation in this clarification process.

Before I conclude, I would like to express my delegation's view that the WTO should continue to work and redouble its efforts towards playing a proactive role in favour of development, through balanced, fair, equitable and transparent rules and processes. These will help build confidence of its Members that the process of trade liberalization and globalization of the world economy will indeed raise growth, accelerate development and reduce poverty in developing countries, including my own.

Let us pledge our commitment to do our utmost to contribute to the success of this Fifth WTO Ministerial Conference. My delegation stands ready to offering its unconditional support to you and to the entire WTO Membership, so that our deliberations in this mid-term review can bear results that are tangible, positive and beneficial to all of us.
