

WORLD TRADE ORGANIZATION

RESTRICTED

WT/TPR/OV/M/2

16 November 1999

(99-4910)

Trade Policy Review Body

ANNUAL REVIEW OF DEVELOPMENTS IN THE INTERNATIONAL TRADING SYSTEM

Minutes of the Meeting of 3 November 1999

1. Ambassador Jean-Marie Noirfalisse (Belgium), Chairman of the Trade Policy Review Body, welcomed Members of the TPRB and the Director-General to the Annual Overview of Developments in the International Trading System. He recalled that, under Annex 3 of the Marrakesh Agreement, an annual overview of developments in the international trading environment that were having an impact on the multilateral trading system was to be undertaken by the TPRB. The overview was to be assisted by an annual report by the Director-General setting out major activities of the WTO and highlighting significant policy issues affecting the trading system. The Director-General's report had been distributed as documents WT/TPR/OV/5 and Corr.1; the Director-General had also made a statement¹ to introduce the discussion.
2. Members of the TPRB thanked the Director-General for his statement and for his Report on the Developments in the International Trading Environment. The report was considered to be timely and useful for the preparation of the Seattle Ministerial Conference.
3. The representative of Cuba, noting that world output and trade growth had declined sharply in 1998, said that developing countries were more affected than developed ones. This had resulted in increasing levels of poverty and underdevelopment. Cuba was concerned that developing countries' share in world trade had declined in 1998 and that nearly two thirds of the world economies had recorded a decrease in their export earnings. Moreover, the impact of the Asian crisis on prices of commodities had reduced the export earnings of a large number of developing countries, thus aggravating their situation. He referred to UNCTAD's Report on Trade and Development, which pointed out certain interesting considerations, such as the need to reformulate not only development policies but also the implicit responsibilities of rich and developing countries. The international community had to be involved in identifying solutions to external problems for development. Exports had to receive priority attention instead of speculative capital flows. In this respect, it was important that the WTO's work programme to be adopted in Seattle include: the need to redress the imbalances and inequities inherited from the Uruguay Round Agreements; adoption of developing countries' proposals on textiles, agriculture and intellectual property; and the establishment of working groups on trade and financial problems, on trade and debt, and on transfer of technology.
4. The expectations for economic recovery mentioned in the Director-General's report were too optimistic if they were compared to the conclusions in UNCTAD's report. There were just some signals of stabilization for developing countries, without clear indications of recovery. Cuba was concerned about the increasing gap between rich and poor countries and the declining levels of official development aid. It was difficult to perceive in the industrialized world any political wish to solve the problems of developing countries.

¹ The Director-General's statement was issued as document WT/GC/29.

5. He highlighted the increasing recourse, by some Members, to unilateral and extraterritorial measures. Over the past years, the United States had approved more than 40 laws and executive decisions applying unilateral economic sanctions against 75 nations representing around 42% of the world's population. The economic, trade and financial blockade on Cuba had been maintained for over 40 years and had cost the economy over US\$60 billion. The Helms-Burton Law had a clear extraterritorial character affecting not only Cuba but also its main trading partners. He believed that the Seattle Ministerial Declaration must contain a strong statement against these measures which were contrary to the WTO principles and agreements, as well as international law and UN resolutions.

6. The representative of Australia agreed with the overall message of the Director-General's report. The state of the world trading system was generally sound. The countries most affected by the financial crisis had to be commended for firmly rejecting protectionism as a response. Despite substantial domestic pressures to limit import competition, the financial crisis had not affected Australia's policy of openness and commitment to structural reform. Its growth performance combined with the downturn in world trade had resulted in an increase of its trade and current account deficits. Although both quite manageable, these deficits had given rise to strong calls for reintroduction of trade barriers. It was important to resist such calls and continue to explain to domestic audiences the benefits of open markets and further trade liberalization.

7. Australia was an advocate of a new round of multilateral trade negotiations with a clear, forward-looking agenda. There were major potential benefits for developing countries in a new round, especially in agriculture. He agreed with the emphasis in the Director-General's report on the importance of integrating the least-developed countries into the multilateral trading system.

8. The representative of Hong Kong, China, referring to the Asian financial crisis, noted that the worst was over and that reasonable, if not robust, growth was forecast for 2000. The turnaround had been quicker than expected due in part to the predictability and security provided by the multilateral trading system and wise policies adopted by governments. However, the hardship inflicted on many countries and their poorest citizens would take a long time to overcome. Hong Kong, China's experience had shown the importance of having a strong financial regulatory regime in place, as well as a liberal environment. Hong Kong, China was hit hard by the crisis; GDP fell by some 5% in 1998, though a modest recovery was predicted for 1999. The crisis, however, had proved to be a salutary lesson with businessmen refocusing on their basic operations and the economy regaining its competitiveness. The Government's firm principle of free and open markets was never questioned.

9. He noted that the proliferation of regional trade agreements was a worrying signal for the multilateral trading system, and agreed that the WTO needed to find more effective methods for examining and monitoring them. He expressed concern about the use of anti-dumping measures and noted that the liberalizing effects of the Agreement on Textiles and Clothing had been minimal and the level of satisfaction among many Members was very low.

10. Hong Kong, China welcomed the inclusion in the Director-General's report of an extensive section on the least-developed countries. The "Geneva week" initiative, for delegates from Members that could not maintain offices in Geneva, was well appreciated. It was necessary to take concrete measures for these countries in Seattle, to allow them to reap the benefits of the multilateral trading system.

11. There was also a need to be fully aware of the increasing profile of the WTO on the world stage and in the mind of individuals in all countries. The Seattle Conference had to have a broad-based agenda. However, Members had to avoid giving the impression that the WTO was the panacea for all the problems; the emphasis had to be on what the WTO was good at and was designed for.

12. The representative of Korea recalled that last year's discussions had concluded that trade was not the cause of the Asian financial crisis. There were neither major trade policy reversals nor a market return to protectionist forces. Two factors appeared to have kept protectionist pressures at bay: affected economies' belief in the virtue of lower trade barriers, and favourable economic conditions in the United States and the European Union.

13. He said that WTO rules, even if respected, might not be a complete safeguard against the emergence of new trade barriers. In this respect, Korea believed that there was ample room for improvement in the WTO's rules and regulations in areas such as anti-dumping and countervailing measures. Rules regulating regional trade agreements were also of concern; RTAs could imply higher costs to non-participant countries. Korea was generally satisfied with the functioning of the Dispute Settlement Body; however, improvements could be made, in particular with regard to implementation of the DSB's rulings and recommendations. Korea considered the TPRM an important exercise for increasing transparency and monitoring and an early warning mechanism against protectionism. More resources needed to be allocated for that purpose as requested by the Appraisal Report to the Ministerial Conference.

14. He welcomed the report's special section on LDCs. Better integrating these countries into the multilateral trading system was a priority, and there was a need not only for enhanced market access but also for policy reform in LDCs. Concerning the WTO's relationship with the civil society, continuous efforts had to be made to provide a better understanding of WTO's activities and to expand channels for dialogue with NGOs.

15. Korea believed that a new round was the appropriate forum to mobilize the political will needed to face the numerous challenges in front of the WTO. There was a need to devise ways that could guarantee a balance of interest among Members.

16. The representative of Bangladesh shared the view that the multilateral trading system had generally worked in favour of a more prosperous world. He also shared the concern that the system's benefits had not been equal for all. In particular, the LDCs' problems had further deteriorated during this period; a situation that was unsustainable for the long-term interests of the trading system. The WTO's special and differential provisions had failed to function properly.

17. Bangladesh appreciated and welcomed the recognition by the Director-General and the WTO Members that more needed to be done to alleviate the situation of LDCs. This recognition had to be reflected in the multilateral system of the new millennium. In this respect, Bangladesh had submitted proposals for the Seattle Ministerial in areas such as market access, transition phases, technical assistance, and accession.

18. The representative of Brazil, while appreciating the report's conciseness, said that this could sometimes result in oversimplification and misunderstanding. Contrary to what could be inferred from information in the Director-General's report, foreign investors had not abandoned Brazil; latest estimates for fiscal year 1998/99 showed that Brazil would receive around US\$20 billion in FDI. He noted that the report should have highlighted that Brazil had also undertaken important liberalization measures in the areas of financial services and telecommunications.

19. The representative of New Zealand, referring to the Director-General's report, noted that there was some optimism that the slowdown in world trade growth had turned around, with clear expectations of recovery in world output and trade for next year. The multilateral trading system had strongly contributed to keeping markets open during the recent financial turbulence. APEC leaders recognized that cooperative growth strategies and sound macroeconomic policies in key economies had supported the restoration of confidence and growth. He noted that it was important not to be complacent about the risks that might impede recovery and sustainable growth. WTO Members had a

common responsibility to resist protectionism, to open markets further, and to address structural and regulatory weakness, which had contributed to the economic downturn. The launch of a new Round in Seattle was integral to these objectives.

20. Referring to an alleged increase in anti-dumping investigations by New Zealand in 1998, he said that this was misleading. Statistics showed that New Zealand was among the least active users of anti-dumping measures; only one new investigation was initiated in 1998, while the other cases pursued that year were reviews of existing measures, which had resulted in the revocation of duties.

21. The representative of the United States highlighted the significant role of the strengthened multilateral trading system in lessening the effects of the Asian financial crisis and providing a critical element for recovery. The United States applauded the Asian countries for holding firm to their WTO commitments and undertaking additional measures towards trade liberalization during the crisis. She appreciated the reference in the Director-General's report that a strong U.S. economy provided a supportive external environment for recovery in other parts of the world.

22. She said that all trading partners had a responsibility to undertake trade and economic measures that deterred unnecessary financial fluctuations or helped to limit their effects when they occurred. Open trade clearly contributed to that goal. Members had to recognize the importance of a strong multilateral trading system and affirm their commitment to strengthening the WTO and further liberalizing trade in the new Round.

23. The representative of Canada agreed that trade liberalization was generally a very positive force for the international economy, and recognized the validity of concerns among the international community. There was a need to share the benefits of trade liberalization more broadly, accompany trade liberalization with social policies, increase transparency, and strengthen the multilateral rules.

24. In spite of protectionist pressures created by the Asian crisis, and its impact on the region's trading partners, Members of the WTO had largely pursued liberalization initiatives, thus facilitating the region's recovery and halting the slowdown of world trade growth. Trade liberalization was not the only answer to the financial crisis but it was an important tool for creating a more prosperous international economy. The impact of the Asian financial crisis had clearly depicted the reality of global interdependency. Individual nations could not guide the forces of globalization alone. A common effort was needed at the WTO to ensure that the multilateral trading rules continued to meet the needs of all Members. There was also a need to focus on coherence, and a better coordination of efforts with the Bretton Woods and other institutions to promote good governance, sustainable development, environment protection, human rights, and the diversity of human populations and cultures. Such efforts, together with greater transparency in the WTO, would help give the public more comfort and more confidence in the trading system.

25. The trading system was successful because it was governed by rules, and backed by an effective and impartial dispute-settlement mechanism. This system promoted fairness, deterred unilateralism, and instilled business confidence. Members had to agree in Seattle to a clarification of the Dispute Settlement Understanding. Canada recognized that there were legitimate concerns regarding implementation of the Uruguay Round Agreements; consideration could be given to addressing them in new negotiations. The active engagement of developing countries, including the least-developed Members, had to be an integral part of any outcome in Seattle. Canada believed that the economic disciplines, market-opening, and transparency, brought about by trade agreements, could help developing countries generate sustained growth and raise their living standards. However, economic development was not uniquely the problem of developing, or least-developed countries. Strengthening markets brought growth and stability for all citizens.

26. Canada was not concerned by the proliferation of regional trade agreements but instead saw them as complementary to, and not in competition with, the multilateral trading system.

27. The representative of Pakistan, noting that world trade and output growth dropped sharply in 1998, regretted that the report of the Director-General had not stated clearly that developing countries were far more affected than developed countries. A deeper analysis of the causes of the recent downturn, and especially the role of trade and financial liberalization, would have been useful. The key question was why, despite strenuous efforts to liberalize, developing countries' expectations of economic and development gains had not materialized. In many developing countries trade deficits had been increasing faster than income. Evidence indicated that a continuation of declining terms of trade, slow growth in industrial countries, and unduly accelerated liberalization of trade as well as the capital account in developing countries had been decisive factors. He stressed that liberalization had to be directed and managed in a manner that took into account the varying conditions of countries at different levels of development. Repeating the platitude that greater liberalization led to greater benefits for all countries was not helpful. A more balanced analysis of the causes for the loss of confidence in Asian and other emerging markets could attribute this to ill-considered, external pressures to liberalize. Emerging developing countries needed to have flexibility to decide on the pace and sequencing of liberalization measures.

28. Developing countries' confidence in the multilateral trading system would be severely tested if asymmetries were not addressed. Areas of concern included developed countries' continued protectionism on products of critical interest to developing countries, and unduly onerous obligations imposed on developing countries by certain multilateral trade rules; in some cases these rules constrained their ability to pursue development policies. Movement on developing countries' proposals on implementation issues had to be a priority for the Seattle Ministerial.

29. He suggested that, in future, the annual assessment of developments in the international trading environment be approached with more intensive preparation. An objective, more comprehensive report and more in-depth discussion would greatly contribute to Members' ability to understand complex international trade issues, and take appropriate measures to address imbalances and inequities that might be emerging. He also stressed that consideration of social questions could not take place in the WTO. Attempts to introduce social issues could irreparably damage the ability of this Organization to contribute effectively in the one area where it had the mandate and competence to act - the lowering of trade barriers and promotion of free trade.

30. The representative of Japan noted that to further consolidate the world's economic recovery it was important to undertake structural reforms and to continue pursuing liberalization in trade and investment. Successfully launching a new Round in Seattle was crucial in sending a strong message against protectionist pressures. The new Round had to be comprehensive, and aim at achieving a balanced result to respond to the various interests of all WTO Members, as well as the globalizing trend of the world economy. It was important to improve and strengthen WTO rules and disciplines, by establishing investment rules, revising anti-dumping disciplines, and reviewing the Agreement on Technical Barriers to Trade. Japan agreed that negotiations should be conducted under the principle of a single undertaking and be concluded within three years. The importance of enabling more countries to join the WTO at an early stage was also highlighted.

31. Japan had undertaken efforts to put its economy back on the track of sustained growth. There were already signs of positive growth: over the first half of 1999, GDP had grown by 1.7%. Despite the economic difficulties over the past years, Japan had provided substantial assistance to other Asian countries affected by the financial crisis; total support committed by Japan amounted to US\$80 billion.

32. The representative of the European Union agreed with the general thrust of the Director-General's report, and underlined the importance of the role that had been played by the WTO and its Members in responding to the Asian financial crisis.

33. Acknowledging that implementation of the Uruguay Round Agreements was causing serious concerns to a significant number of Members, he noted that these were now being addressed, and that implementation also had a positive side. He highlighted the role of the DSB in the management and settlement of disputes between Members, as well as the fact that there had been no delay in implementation of trade liberalization, and that Members were phasing-in, on schedule, reductions in tariffs, export subsidies, and other measures of assistance to agricultural products. Implementation was also proceeding in other areas such as the Agreement on Textiles and Clothing, the ITA, telecommunications, and financial services. Progress had been made, in particular since 1995, on accessions.

34. Referring to the preparations for the Seattle Ministerial Conference, he would have preferred to have more discussions in the current debate on the negotiating agenda. Members were beginning to engage in real discussions about the role and identity of this Organization in the next century. He added that the sentence in the report "the WTO Members also recognize that the multilateral trading system must adapt to new challenges if it is to conserve its important role in the world economy" had very strong and fundamental implications.

35. He underlined the need for continuous improvement in transparency and dialogue with representatives of civil society. Members should not allow the WTO agenda to be determined by fear and apprehension of what might be thought about the Organization. A core role of the WTO was to proceed with further liberalization of world trade. Noting that regional trade agreements had a beneficial effect, he agreed that there was a need for more effective methods to analyse them.

36. A new currency zone, or a zone of currency stability of the kind represented by the Euro, was in itself of considerable importance in the world economy. It would generate within the European Union a greater degree of competition between suppliers within the single market; it would eliminate exchange rate risks and the costs associated with exchange rate transactions. New transparency would lead to greater price discipline within the European Union. He stressed that the European Union encompassed not only the Euro zone and the countries that composed the Euro zone; ultimately the underlying policy applied by the Community of 15 Member States as a whole would be a real contribution to the functioning and management of the world economy. The central feature of the European Union was the single market of over 360 million people, a market based on openness and competition inside, which would be enhanced from outside.

37. He was pleased to note that a substantial section of the report had been devoted to the question of the least-developed countries. He acknowledge the positive role that tariffs could play in facilitating market access for LDC's products. Domestic and supply-side considerations also had a vital role to play and the WTO had only a limited contribution to make in those areas.

38. The representative of Bolivia noted that her country had a free and open economy as a result of a process initiated in 1986. Bolivia did not apply non-tariff barriers, nor did it use agricultural subsidies or subsidized any other sectors. The Government had created conditions conducive to investment that made this attractive without having to resort to measures not acceptable in the WTO. Bolivia's open trade policy had to be recognized and reciprocated with similar measures taken by its major trading partners so as to ensure greater market access for Bolivian products and services.

39. Despite the Asian crisis, Bolivia had not taken any protectionist measures. Although the crisis did not directly affect the financial sector in Bolivia, the impact was nonetheless felt in its trade balance. The worsening of its trade balance was also a result of Bolivia's open market. This situation

highlighted the vulnerability of small economies, which were affected in a different manner by the turmoil in international trade. Bolivia had contributed positively to the multilateral trading system, and was looking for appropriate recognition in future trade negotiations.

40. The representative of Jamaica, noted the slowdown of trade growth in 1998 and the clear signs of a halt in 1999, as well as the expectation of recovery in output and trade in the year 2000. In Latin America and the Caribbean, the move towards an increasingly open trade and investment regime had, by and large, continued. He shared the view that Caribbean countries, including Jamaica, had undertaken substantial liberalization measures within the context of the regional trading arrangement (CARICOM). This underscored a commitment of countries to regional integration and the liberalization of trade in goods and services as vehicles for promoting the efficient allocation of resources and economic growth and development. This commitment remained intact through changes in the economic health of the global economy and in the face of recurrent trade deficits. Jamaica believed that this was the context against which concerns raised by small and vulnerable developing economies, like Jamaica, had to be viewed and assessed. The Seattle process must recognize the need for timely and phased adjustment in some areas and sectors; it must also address imbalances in the Uruguay Round Agreements, and ensure that development concerns were treated properly. There was a need to strengthen both the will and the capacity of developing countries to continue, and benefit from, further liberalization in the multilateral trading system.

41. The representative of India said that Members were actively engaged in setting the WTO's work programme for the next few years. She disagreed with the Director-General's view that a positive outlook on trade was linked to the extension of WTO rules to new areas and issues. India believed that it was dangerous to develop a system where the benefits of globalization accrued to transnational corporations alone, unless specificities of developing countries were taken into account in multilateral trade rules and national policies. It was important to draw attention to some of the asymmetries in the benefits of trade; UNCTAD's report had clearly pointed out that trade liberalization by itself would not solve the problems of developing countries and prevent their further marginalization. India believed that the resolution of implementation issues arising from the WTO Agreements and the mandated negotiations had to address the key challenge facing the WTO, which was ensuring equity in the flow of benefits of the trade rules, and fuller integration of developing countries in the multilateral trading system.

42. The representative of Malaysia said that a number of countries in his region suffered greatly during 1997 and 1998. He disagreed with the so-called analysts who, depending on the moment talked about an Asian miracle, a myth, and then another miracle. He was of the view that the Director-General's report did not really reflect what had actually happened in the Asian financial crisis, and that it could have been more balanced. Malaysia shared the view of some Members that it was important to clearly state the fact that the slowdown was not due to protectionism, but to the currency turmoil brought on by others. As import prices had increased dramatically, Malaysia was unable to maintain the same import levels as before the crisis. Malaysia gave credit to those developed countries who had kept their markets open in the last two years. The U.S. economy had definitely helped, and the EC had at least shown that there was a responsibility on their part. But unfortunately, during 1999 when there was some upturn in the economies, anti-dumping actions had started again.

43. He blamed currency operators who speculated on the region's economies. He disagreed that globalization meant unfettered capital flows that could come in and go out whenever they deemed it feasible and necessary for their own interests. He believed that the Director-General's report should have placed more emphasis on what had happened externally to Asian economies, rather than concentrating on, mainly, domestic problems. Due account should have been given to countries like Malaysia, which had experimented with non-conventional measures. When Malaysia put in place its selective currency control approach, it was not an indication that Malaysia was turning its back on

globalization, it was an act calculated by the Government to ensure that the Malaysian currency would not be affected by currency speculation. After initially heavily criticizing this approach, foreign analysts welcomed it. He completely disagreed with the view that bad governance was the only cause of Asia's problems. Malaysia knew perfectly well what it was doing, and also believed in good governance.

44. In Seattle, Members had to give due emphasis to the least-developed countries. He noted that developing countries, like Malaysia, which had performed quite well in the past, were not immune to external vulnerabilities. Developed countries therefore had to understand that the "advanced" developing countries could not make the same contribution as them to help the LDCs. Malaysia would do whatever it could within its moderate means; but would urge developed countries to look at the plight of developing countries as a whole, and not just to focus on a group of countries.

45. While respecting the Director-General's views and vision, he stressed that the WTO was a member-driven organization, and Members would decide what they wanted in Seattle, and what they wanted for Seattle. Malaysia had expressed many times its fundamental difficulties with some of the issues being proposed for further work, such as transparency in government procurement, trade facilitation and social policies. Malaysia could not accept the idea of asking the WTO to become a social organization; the WTO should not deal with social issues. Members had to look at what the WTO did best: trade rules to ensure that trade was not protected in areas of importance, such as agriculture; this was the main issue. Malaysia had not turned its back on globalization, even in the worst of times, but if it was pressed on issues where it had difficulties coming into Seattle, and if it was pressed on market-access commitments where it could not afford to do so, then there was a risk of political backlash.

46. The representative of Mauritius noted that, for the first time in more than a decade, the share of developing countries in world trade had declined, nearly two thirds of the world economies recorded decreases in their export earnings, and trade in manufactures registered the lowest growth rate of the 1990s. Africa's performance was not encouraging; exports had dropped by 5% and imports had stagnated. These facts and figures vindicated the concerns of several Members that they were facing the risk of marginalization and were having difficulties in successfully integrating into the multilateral system. The concerns and problems of small economies had to be highlighted. Referring to the Director-General's report, he said that the information in paragraph 38 was misleading as it deemed to relate only to mainland Africa, and thus seemed to ignore the number of island economies, which were integral parts of Africa.

47. The representative of Uganda, referring to globalization, noted that while overall there had been benefits, it was clear that a number of countries had not benefited, and had indeed been marginalized. Developing countries, and particularly LDCs, had benefited least. He was pleased to see that the Director-General's report devoted an entire section to the plight of the LDCs. He asked how Members could make the Trade Policy Review exercise an instrument for addressing the problems identified in the reports. The financial institutions should be able to assist the countries, particularly LDCs, in addressing policy problems and bottlenecks identified in the Trade Policy Review. With respect to coherence, international financial institutions, when preparing their various policy framework papers addressing developmental problems, also needed to consider trade policy issues. Noting that all African countries, in response to globalization, had adopted structural adjustment programmes, he said that the report should have included a reference to the importance of a supporting environment provided by the international community. Uganda believed in regional integration with its neighbours, Tanzania and Kenya, as well as strengthening the East African Cooperation; regional agreements could be an engine for growth. In the run up to Seattle, civil society, even in Uganda, was wondering whether the multilateral trading system had been beneficial to all. He emphasized the need to look at implementation issues before embarking on new negotiations. Uganda fully supported the Director-General's proposal for LDCs.

48. The representative of Senegal noted that the ever-increasing role of trade in countries' development and in bringing people together, and the need to lift barriers to trade had been the predominant subjects in the work of the WTO since the multilateral trading system celebrated its 50th anniversary and held the second Ministerial Conference in Geneva in May 1998. These two events gave an opportunity to reaffirm the strength and energy of the multilateral trading system as well as to reaffirm the requests and needs made by its Members. Throughout 1999, developing countries had had a similar approach reflecting the deep-seated anxiety on how to ensure that trade liberalization lead to development; and how to ensure that liberalization brought equitable advantages for all WTO Members. He noted that there was a marginalization of a large number of countries, whose expectations had been let down and whose prospects for market access and growth were uncertain; this limited to a great extent their possibility to engage in the future multilateral trade negotiations. Senegal felt that in Seattle, Members must take a series of measures to eliminate the distortions contained in a number of WTO Agreements. Members had to give meaning and real content to the provisions regarding special and differential treatment. More careful attention had to be paid as well as a greater affirmation of solidarity. There was a need to liberate development and trade from the weight of external indebtedness, which sometimes represented four to five times the value of annual exports. Senegal welcomed the Director-General's views on the LDCs; their excessive dependence on external markets, the asymmetry in the structure of their export earnings, and their import bills, in the light of the fragility of their economies, called for concrete measures to be taken in areas of main interest to these countries.

49. Regional integration was an essential link which, in addition to ensuring an interdependence between nations, could develop a spirit of enterprise in individual countries. The strengthening of the multilateral trading system through a resurgence of regional integration was a reality in Africa. He pointed out that over the past years more than 2,000 public enterprises had been privatized, and stock markets had been opened in more than 15 African countries. Underlying these changes was the political will to catch the world economy's train and to respect WTO commitments.
