

African delegates press for a "development round"

WTO impasse in Seattle spotlights inequities of global trading system

By Michael Fleshman

Seattle

After the opening-day events of the World Trade Organization (WTO) meeting in Seattle were effectively cancelled by street protests, Director-General Mike Moore assured the handful of delegates who slipped past the picketers that the 30 November-3 December summit was "doomed to succeed." In the end, the WTO meeting — the "Battle in Seattle" — was simply doomed.

The WTO's Third Ministerial meeting was marked by the biggest demonstrations in recent US history, a bitter deadlock between the US, Europe and Japan over agricultural subsidies and industrial protectionism, and an unprecedented revolt by developing countries against a process that systematically excluded their delegates from the negotiating rooms. Divided and angry, the exhausted ministers adjourned without launching a new round of trade talks or even issuing a closing communiqué.

For African and other developing country delegations, whose refusal to accept an accord reached over their heads scuttled any remaining hope for an 11th-hour agreement, the failure of the Seattle ministerial meeting seems to offer both dangers and opportunities.

Despite the adoption of sometimes painful economic reforms by many African countries over the past two decades, the promised benefits of trade liberalization — increased foreign direct investment, easier access to Northern markets and expanded technology transfer and technical assistance — have not materialized. Fully 70 percent of the wealth generated by



AFP / Hector Mata

Demonstrators at the WTO meeting in Seattle. Street protests and a rebellion by developing countries contributed to the breakdown of the trade summit.

trade liberalization has flowed to developed countries. By some measures the current rules governing world trade, set largely by the industrialized countries over the course of the 1986-94 Uruguay Round agreements, have only contributed to Africa's economic woes.

Zimbabwean Industry and Commerce Minister Nathan Shamuyarira, addressing a plenary session on 2 December, a day after the meeting finally began, reminded delegates that the WTO's charter commits the trade body to alleviate poverty and pro-

mote sustainable development. Yet, he added, "it is an undisputed fact that the general experience of developing countries like Zimbabwe in the implementation of the Uruguay Round agreements has been disappointing... In fact, the economic situations of our countries have in many cases deteriorated."

"Here in Seattle and on the eve of the new millennium," he said, "we need to look at the balance sheet and take stock of how we have done so far in achieving ... the noble goals we set for ourselves at the inception of this organization."

**Information technology
in Africa**
pages 13-27

**UN and African
peacekeeping**
page 4

Drive against corruption
page 8

Africa, which has 23 of the WTO's 29 least developed countries (LDCs), arrived in Seattle with a set of proposals to do exactly that. While the US and Europe sought a wide-ranging "mil-

tal standards, many African, Asian and Latin American countries championed a "development round" to review implementation of Uruguay agreements of particular importance to developing countries (see page 35).

By focusing on implementation issues, the South hoped to finally pry open developed countries' markets to its imports, remove other structural imbalances and biases against developing countries, completely eliminate tariffs on exports from LDCs, and expand and institutionalize trade-related technical assistance and capacity-building programmes. The proposals also would extend and enforce the "special and preferential" provisions of the Uruguay agreements intended to assist the integration of developing countries into the global trading system by exempting them from certain WTO requirements and timelines.

In the view of most developing country delegates, negotiations on new issues should be confined to a previously set "built-in agenda" of talks on agriculture and

trade in services. They oppose the introduction of a wide range of new issues until flaws and deficiencies in the current rules are corrected.

Intense preparations

The proposals for a development round were formulated over three years by developing countries with assistance from the UN Conference on Trade and Development (UNCTAD). Following the 1996 WTO ministerial meeting in Singapore, UNCTAD convened two expert group meetings to consider a pro-active "Positive Agenda" for developing countries in future global trade negotiations.

At the request of African and other developing countries and with funding from the UN General Assembly, UNCTAD held a series of inter-regional workshops in the Republic of Korea, South Africa and the Dominican Republic on trade negotiation strategies in preparation for the Seattle WTO meeting. The UN agency also convened a second workshop in South Africa for LDCs, and conducted numerous sub-regional seminars on trade issues, including three additional conferences in Africa.

Developing countries emerged from these intensive preparatory meetings far better equipped to participate in the Seattle talks and to advance their issues. In contrast to the relatively low profile they adopted at the Singapore



Seattle Post-Intelligencer / Grant M. Haller

Delegates from Chad and the Central African Republic listen to WTO Director-General Mike Moore in Seattle. African ministers were systematically excluded from trade talks.

lennium round" of talks on complex new issues, including investment, competition policy, electronic commerce, and labour and environmen-

Trade must benefit the developing world, says UN Secretary-General

The following are excerpts from the address prepared by UN Secretary-General Kofi Annan for presentation at the opening ceremony of the World Trade Organization (WTO) meeting in Seattle on 30 November. Because of the disruptions caused by the anti-WTO protests, the opening ceremony did not take place and the speech could not be delivered directly to the delegates.

In the past, developing countries have been told time and again that they stand to benefit from trade liberalization, and that they must open up their economies. They have done so, often at great cost. For the poorest countries, the cost of implementing trade commitments can be more than a whole year's budget. But time and again, they have found the results disappointing — not because free trade is bad for them, but because they are still not getting enough of it....

They found that rich countries had cut their tariffs less than poor ones. Not surprisingly, many of them feel they were taken for a ride. Industrialized countries, it seems, are happy enough to export manufactured goods to each other, but from developing countries they still want only raw materials, not finished products. As a result, [industrialized countries'] average tariffs on the manufactured products they

import from developing countries are now four times higher than the ones they impose on products that come mainly from other industrialized countries....

"It is hardly surprising if developing countries suspect that arguments for using trade policy to advance various good causes are really yet another form of disguised protectionism."

UN Secretary-General Kofi Annan

So it is hardly surprising if developing countries suspect that arguments for using trade policy to advance various good causes are really yet another form of disguised protectionism....

What is needed is not new shackles for world trade, but greater determination by governments to tackle social and political issues directly — and to give the institutions that exist for that purpose the funds and the authority they need. The United Nations and its specialized agencies are charged with advancing the cause of development, the environment, human rights and labour. We can be part of the solution....

But this meeting and this organization must not be distracted from their vital task — which is to make sure that this time a new round of trade negotiations really does extend the benefits of free trade to the developing world. Unless we convince developing countries that globalization really does benefit them, the backlash against it will become irresistible. That would be a tragedy for the developing world, and indeed for the world as a whole.



South African Trade and Industry Minister Alec Erwin: "Our interests can no longer be ignored."

meeting and at the 1998 WTO ministerial meeting in Geneva, developing countries submitted nearly half of the 250 proposals tabled for consideration in Seattle.

Developing countries rebel

Given the deep differences between North and South, the task of reaching agreement on a new round of trade liberalization talks in Seattle was a daunting one for the trade ministers of the WTO's 135 member states. Bitter divisions between the US, Europe and Japan over agricultural subsidies, genetically modified food and industrial protectionism made it even less likely that the ministers would resolve issues that had confounded trade officials over months of preparatory negotiations at WTO headquarters in Geneva.

African delegates were optimistic that their agenda would be taken up in Seattle, if only because WTO decisions are made by consensus and developing countries are in the majority. Moreover, in response to sharp criticism of the closed-door negotiating process at the Singapore meeting, where select groups of mostly developed countries met in private "green room" consultations to set policy for the entire body, the organization said it would adopt a more transparent negotiating system in Seattle. Instead of green rooms, informal ministerial working groups, open to all delegates, were to develop draft language for the Seattle Declaration on agriculture, implementation and rules, market access, the Singapore agenda and systemic issues relating to transparency in the WTO's internal procedures. The working groups in turn were to report to the Committee of the Whole, comprised of the ministers of all 135 member states, where the draft declaration would be submitted for final debate and approval.

However, Seattle Chair Charlene Barshefsky, the chief US negotiator on trade issues,

made no secret of her willingness to return to the green rooms in order to secure agreement on a new round of trade liberalization talks. "I reserve the right to use a more exclusive process," she told reporters, "to achieve a final outcome." By the end of the first full day of talks, the green rooms were in full operation and African, Latin American and Caribbean delegations again found themselves locked out or ignored.

In one instance, an Africa Group caucus meeting was interrupted when interpreters were suddenly withdrawn in favour of an unscheduled meeting on labour standards convened by the US. Conference staff turned off the microphones as the interpreters left. In another case, ministers from two Caribbean countries were physically barred from entering a green room meeting on agriculture.

One African delegate told *Africa Recovery*

rooms. Within hours, the Africa Group issued a statement denouncing the process and threatening to block any agreement reached without its participation: "There is no transparency in the proceedings and African countries are being marginalized and generally excluded on issues of vital importance to our peoples.... Under the present circumstances, we will not be able to join the consensus required to meet the objectives of this ministerial conference." The Africans were soon joined by Caribbean governments, which issued a similar statement.

Dangers and opportunities

The unprecedented rebellion prevented the developed countries from pursuing future trade rules damaging to the interests of developing countries and signaled a new willingness by African, Asian and Latin American states to assert their rights within the WTO. South African Trade and Industry Minister Alec Erwin told *Africa Recovery* that the action represented a "watershed."

"The industrial countries now understand

African activists join protests in Seattle. NGOs played an important role inside and outside the meeting.



Africa Recovery / Michael Fishman

that after the overwhelming majority of participants in one working group rejected European proposals for the addition of new issues to the WTO agenda, the chair nonetheless reported a consensus in favour of the EU position. The working groups, the delegate said furiously, "are toy telephones. You can talk into them but they're not connected to anything. Nobody is listening."

The issue finally came to a head on 2 December, after an angry confrontation between developing country ministers and Ms. Barshefsky over their exclusion from the green

that our interests can no longer be ignored," he said, and will have to be accommodated in future talks. But he also pointed out that the failure to adopt a new agenda locked in all the shortcomings of the Uruguay Round that developing countries had sought to change.

One particular danger of the deadlock in Seattle was the expiration on 1 January 2000 of special and preferential exemptions for compliance with WTO regulations on Trade Related Aspects of Intellectual Property Rights (TRIPS) and Trade Related Investment Measures

African NGOs reject new round of trade talks

Prior to the World Trade Organization (WTO) ministerial conference in Seattle, 20 African social movements, environmental groups, trade unions and other civil society organizations issued a statement in September 1999 calling for a moratorium on any new round of trade negotiations and for an in-depth review of the impact of existing international trade agreements. The following are excerpts:

We are opposed to any attempt to expand the powers of the WTO through a new comprehensive round of trade liberalization. Instead, governments should review and rectify the deficiencies of the system and the WTO regime itself, as part of the ongoing processes within the WTO.

The Uruguay Round agreements and the establishment of the WTO were proclaimed as a means of enhancing the creation of global wealth and prosperity and promoting the well-being of all people in all member states. In reality, however, in the past five years the WTO regime has contributed to the concentration of wealth in the hands of the rich few, increasing poverty and indebtedness for the majority of the world's population, and [promoting] unsustainable patterns of production and consumption.

Those governments that dominate the WTO and that, together with the transnational corporations, have benefited from the WTO system have refused to recognize and address these problems. Instead, they are pushing for further liberalization through the introduction of new issues for adoption in the WTO.

On proposals to pressure countries to further cut industrial tariffs, we wish to state that African countries have already drastically reduced their tariffs (especially under structural adjustment programmes) and this has led to closure of local enterprises and de-industrialization. The WTO should not be used to lock in and further reduce industrial tariffs in Africa and the South. We thus reject another round of industrial tariff cuts. Instead, the North should cut its tariff peaks in products exported by the South.

We call for a moratorium on new issues and further negotiations that expand the scope and power of the WTO. During the moratorium, there should be a comprehensive and in-depth review and assessment of the impacts of existing agreements. Effective steps must be taken to change the inherent imbalances and inequities of the WTO system and in the existing agreements.

The complete text and list of signatories are available on the website: <www.southside.org.sg/souths/twn/title/atn-cn.htm>

(TRIMS). The high degree of institutional capacity required for compliance with the TRIPS and TRIMS rules has proved extremely difficult for developing countries to achieve and the extension of timelines and technical assistance for these and other preferential provisions were an important part of Africa's agenda for a development round. A mid-December meeting of the WTO General Council failed to extend the timelines for compliance with the TRIPS and TRIMS agreements, but did agree to refrain from filing complaints against developing countries until further talks on the issue were held.

A package of special measures for least developed countries was also a casualty of Seattle. The proposals included the removal of tariffs from LDC exports, accelerated procedures for LDCs seeking WTO membership and greater coordination with other multilateral financial institutions on an "integrated framework" for development that would harmonize trade policies with debt relief and increased investment flows. The proposals enjoyed wide

support among WTO members and seemed likely to be adopted as part of any new round of talks. Two separate press briefings scheduled for Seattle on the LDC initiative, one by the WTO secretariat and another by the US and EU, were cancelled and the proposals are unlikely to be enacted until formal talks on a new round are finalized.

Uneven playing field

While proponents of trade liberalization

point to the advantages of the WTO "rules-based system" of regulations applicable to all, there is strong evidence that developed countries often violate the rules. At the heart of the demand for review of the implementation of the Uruguay Round agreements is the failure of industrialized countries to open their markets to Southern exports. Access to Northern markets could have a dramatic impact on the economies of developing countries, potentially raising their export revenue by some \$700 bn annually, according to the 1999 UNCTAD *Trade and Development Report*.

Formidable barriers to Northern markets remain in place. Tariffs on manufactured prod-

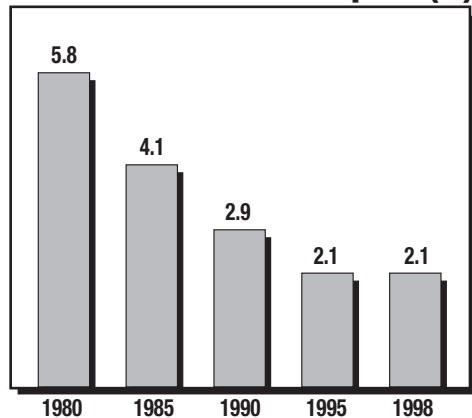
ucts entering industrialized countries' markets from developing countries average four times higher than those imposed on manufactured goods from other industrialized states. UNCTAD notes that import tariffs in developed countries are highest in precisely those sectors — textiles, shoes, leather goods and processed agricultural products — where developing countries could be competitive.

Tariff escalations

Tariff escalations — the rise in duties at every step of processing from raw material to finished product — are another obstacle to increased African trade. Brigadier Moses Ali, Uganda's Second Deputy Prime Minister for Tourism, Trade and Industry, explained how tariff escalations affect Uganda's principal export, coffee. "One way to increase the value of our coffee is to process it at home, add the value in Uganda," he said. "But tariffs on processed coffee are too high, so we are unable to do so. This hurts our people, who need jobs."

While WTO rules permit industrial countries to impose high tariffs and punitive "anti-dumping" duties on low-cost manufactured goods from developing countries, there is no prohibition on the dumping of massively subsidized Northern agricultural exports in African, Asian and Latin American and Caribbean markets. As UN Secretary-General Kofi Annan noted in remarks prepared for the opening ceremony of the Seattle meeting (see box, page 30), agricultural subsidies in developed coun-

Africa's share of world exports (%)



Source: Africa Recovery from UN Statistics Division data



Ghanaian Minister of Trade and Industry John Abu: "Some of the obligations we have taken on create social tensions."

tries — some \$250 bn annually — are "threatening the livelihood of millions of poor farmers in the developing world, who cannot compete with subsidized imports."

Non-tariff obstacles, including "phyto-sanitary" (health and safety) standards, also are common. Ghanaian Trade and Industry Minister John Abu told *Africa Recovery* that "barriers have been created against us using what I call excuses. Sometimes they talk about environmental issues. Sometimes they talk of their consumers' concern. Sometimes it happens, and it's a mystery."

He described one case involving the export of Ghanaian yams to the US. "The yams were coming all right, but then all of a sudden they're cut off. They said phyto-sanitary issues and started autoclaving [heat sterilizing] the yams. By the time they finished, the yams were rotten. So we lost the market." Ghana has requested US assistance in building Ghana's ability to meet their standards before products are shipped. "My feeling is that we should have international standards. Then we'll know."

Need for 'coherence'

The inability of African countries to invest in new industries was identified as another major obstacle to producing for world markets. African ministers strongly supported an integrated development framework in Seattle because the sharp drop in official development aid, combined with low levels of foreign direct investment and heavy debt servicing, often made it impossible to take advantage of trade opportunities. Mr. Ali, the Ugandan trade minister, emphasized the importance of debt relief in generating investment capital for the production of new products to trade. "Debt cancellation must not be left out [in Seattle]. It must be part of any declaration. We are beneficiaries of the plan by the G-7 to cancel some of the debt of developing countries, but it's taking time. In the meantime, we're being strangled."

Technical assistance

Africa also came to Seattle to secure more technical assistance in meeting stringent WTO rules and international product standards. At present, WTO training and capacity-building is funded largely from voluntary contributions from member states. This multilateral system is augmented by bilateral trade-related technical programmes, particularly by the US. African countries, however, called on the WTO to expand its capacity-building programme and fund it from the organization's core budget. African countries proposed a phased increase in the core WTO technical assistance budget from the current level of \$450,000 to \$5.9 mn by 2003. The proposal urged industrial countries to contribute additional funds towards a technical assistance budget of \$12.5 mn.

Part of Africa's opposition to the inclusion of new issues in the WTO, said Ghanaian Trade Minister Abu, is the absence of capacity: "To take on new issues that are more complex and require further capacities from African countries is something that worries us. We don't like to tell our colleagues in the developed countries that we won't accept a new round. But we have to be informed how we will be supported to address the new issues that are going to crop up."

Labour and the WTO

Market access concerns also influenced Africa's positions on the controversial issues of labour and environmental standards, which the US in particular sought to bring under WTO jurisdiction. Developing countries were almost universally opposed to the US proposals, not because their governments are hostile to worker rights or environmental protection, but because these were perceived to be thinly disguised protectionist measures advanced on behalf of powerful domestic constituencies in the North. US negotiators initially assured developing countries that the US wanted only to study the relationship between labour and environmental standards and trade, not to bring them under the rules system. President Bill Clinton contra-

dicted that position, however, when he told reporters that countries which violated core labour and environmental standards should be subject to trade sanctions.

Kenyan Ambassador Kipkorir Aly Azad Rana seemed to speak for most delegates from developing countries when he told *Africa Recovery* that his government felt strongly that labour standards should remain the responsibility of the International Labour Organisation and not come under the WTO. "Kenya has no problem with labour rights. We are members in good standing at the ILO. But we do not agree that the WTO should take over the responsibilities of other international bodies. Nor do we accept that certain members of the WTO should introduce major new issues at the last minute and without consultation." Mr. Rana said that Kenya considered the current consulting mechanism between the ILO and the WTO adequate to address genuine trade-related aspects of labour standards.

African environmental concerns

Africa's principal environmental concern in Seattle was to ensure that the TRIPS agreement would not allow the patenting of life forms and biological processes, or interfere with traditional farming practices such as the harvesting, exchange and open sale of seeds

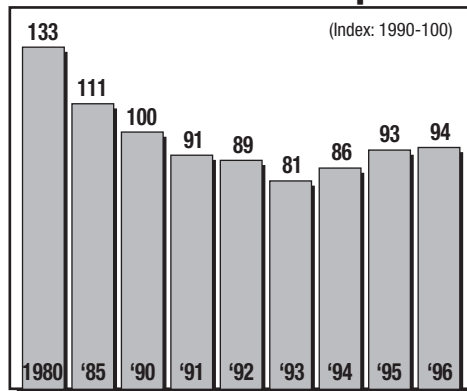
and produce. The US was particularly eager to extend intellectual property protections to genetically modified organisms — a field dominated by US industry — and to prevent other countries from blocking imports of genetically modified US agricultural products.

The US proposal was strongly opposed by developing countries and the EU

endorsed a Kenyan recommendation to require that any WTO regulations on the issue be consistent with the UN Convention on Biodiversity and the International Undertaking on Plant Genetic Resources, which protect the rights of people in developing countries to their traditional knowledge of genetic resources. African countries also strongly supported proposals to exempt essential medicines from TRIPS rules that restrict wide, cost-effective distribution.

In an indication of the political sensitivity of

Unit value of African exports



Source: *Africa Recovery* from UN Statistics Division data

the biodiversity issue, the EU negotiator announced that it would accept the US position on genetically modified organisms in exchange for US concessions on agricultural subsidies, only to have the agreement disavowed by EU member states concerned about public opinion at home.

Anger at protesters

African non-governmental organizations maintained a significant presence at the Seattle meeting, both on the picket lines and as back-up for African government delegations. The African Trade Network, a coalition of trade unions and other NGOs coordinated by the Accra-based Africa Secretariat of the Third World Network, played a particularly visible role. The organization regularly briefed the press on African issues and helped to popularize Africa's opposition to a broad new round with their slogan, "No New Round! Turn Around!" (see box page 32).

But it was the massive anti-WTO protests by US trade union and environmental activists that had the greatest impact on the Seattle meeting. The demonstrations dominated the press reports, disrupted the conference proceedings and focused unprecedented public attention around the world on the WTO and the controversial issues with which it deals.

African delegates expressed resentment and dismay at the protesters and their calls to link labour and environmental issues to trade. There was visible anger among delegates at US President Clinton's apparent encouragement of the protests and little support for his call to make the WTO more transparent to its critics. Delegates from developing countries made it very clear that they considered the green rooms to be the key obstacle to transparency in Seattle.

Many delegates viewed the demonstrations

ACP countries defend trade preferences

The 71 member countries of the African, Caribbean and Pacific group (ACP) are negotiating a renewal of the trade and aid agreement with the European Union (EU), known as the Lomé Convention. The current convention runs out on 28 February 2000. Negotiators were optimistic following a 7-9 December round of talks in Brussels that a new accord would be finalized before the expiration date. Under the new arrangement, Lomé V, the EU would agree to provide E13.8 bn (\$14.1 bn) in aid during 2000-2005 through the European Development Fund and another E1.7 bn in loans through the European Investment Bank.

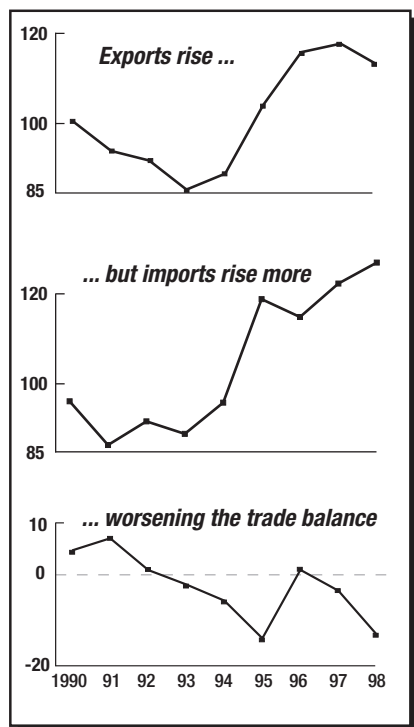
However, extension of the favourable trade preferences for ACP countries has fallen under the shadow of the World Trade Organization (WTO). Since the first Lomé Convention in 1975, the ACP countries — all former European colonies — have enjoyed preferential access to European markets for many of their exports. But because they are not required to extend comparable preferences to European goods entering their own markets, the arrangement is deemed to violate the WTO's insistence on "reciprocity."

Previously, the EU applied for and received a waiver from the WTO to permit "non-reciprocal" preferences. It could seek another formal waiver, but has not yet publicly committed itself to such a course. Instead, EU negotiators have been trying to win agreement from the ACP countries on ways of bringing the Lomé Convention's trade arrangements in line with WTO rules. The ACP countries have argued that they need at least 10 years for their economies to adapt to more liberalized trade practices. A compromise worked out by the negotiators in Brussels provides for an 8-year "roll-over" period for current preferences, while a new, more open trade regime would be implemented over another 10-12 years.

Yet anxiety remains high. A meeting of the ACP states in the Dominican Republic just a few days before the opening of the WTO gathering in Seattle issued a strong plea for giving developing countries time to adapt to global competition. Madagascar President Didier Ratsiraka drew the strongest applause when he lashed out at globalization as a "totalitarian doctrine" and accused the WTO of seeking to impose rules "on all human activities, defining them from now on as commercial objects."

In the wake of the failure of the Seattle meeting, the EU should not be so worried about bringing the Lomé Convention within WTO rules, Côte d'Ivoire Minister of Commodities Guy-Alain Gauze said at a press conference during the subsequent Brussels negotiations.

African trade, 1990-98 (\$bn)



Source: Africa Recovery from UN Statistics Division data

as misguided, racist or part of a US plan to impose its agenda through physical intimidation. A group of Latin American and Caribbean delegations issued a statement condemning the US and expressing their "profound surprise and resulting anger at the [WTO] and lack of concern for providing the high dignitaries and delegates attending this ministerial conference with minimum conditions of security and for allowing, in some instances, physical and verbal aggressions against its distinguished guests."

"The issues [protesters] are raising are justified," said Ghana's Mr. Abu. "Some of them are

on the agenda and we are addressing them. So don't prevent us from attending our meetings. Some of us were hassled. Some of us were locked in our hotels for four or five hours. I consider that very unfair."

For developing countries, he said, globalization is a reality, both good and bad. In Ghana, for example, "Many commodity prices have dropped and the Ghanaian consumer now has access to cheaper high-quality products that are developed internationally. In that way, living standards are going up."

But Mr. Abu also emphasized the social costs: "Some of the obligations we have taken on create social tensions. Our people sometimes see it as a sellout because our industries are collapsing. They have some kind of fear that the WTO is taking away their jobs." The problem with free trade, he said, is not the theory but the implementation. "It has to be translated in such a way that everybody gains. That is why we came." ■

Africa's agenda for the WTO

Africa brought a set of common demands to the WTO Ministerial meeting. They drew on a series of reports and consultations concluded during the months leading up to the Seattle conference, including a July African Economic Community (ECA) meeting in Addis Ababa, a September ministerial meeting of the ECA and Organization of African Unity in Algiers, and the "Positive Agenda for Developing Countries in Future Trade Negotiations," issued by the UN Conference on Trade and Development in November. The following summarizes some of the main points.

For a 'development round'

African countries argue that the industrial North has largely failed to implement key provisions of existing WTO agreements that benefit developing countries, and has interpreted others in ways that erode Africa's competitive advantage in such areas as agriculture, textiles and leather goods. African governments have therefore called for a "development round" of trade negotiations to review implementation of the current Uruguay Round accords. Africa is strongly opposed to the European Union's call for an expanded "millennium round" of negotiations on such complex and sensitive issues as investment, competition policy, government procurement and electronic commerce.

Maintaining 'special and differential' treatment

Many of the trade rules intended to benefit developing countries, including "special and differential" exemptions from certain WTO requirements, were set to expire on 1 January 2000. Grain marketing mechanisms needed to avert famine, for example, may run contrary to WTO provisions on market access. African ministers call for maintaining and expanding such existing exemptions and for a formal review of implementation procedures by the North.

Opening Northern markets

The World Bank estimates that high tariffs, anti-dumping regulations and technical barriers to trade in industrial countries cost sub-Saharan Africa \$20 bn annually in lost exports. Africa wants current WTO rules reviewed to force open Northern markets to African exports and remove tariffs on all imports from least developed countries (LDCs).

Coordinating trade with investment and aid

African countries argue that they are often caught between the conflicting demands of bilateral aid donors, multilateral lending agencies and the WTO, while the decline in official development assistance and insufficient foreign direct investment makes it harder to produce new goods and services for export. Africa therefore seeks greater coordination among international aid, trade and investment policies.

Technology transfers and technical assistance

African and other developing countries accuse the industrialized North of failing to abide by previous agreements to transfer industrial and information technology and provide the degree of technical assistance

required by the South to implement WTO agreements. Africa seeks a review of the agreements on investment and intellectual property to increase technology transfer to developing countries, as well as more time to implement certain highly technical WTO agreements.

No patents on life forms, biological processes

The Africa Group has called for changing the Uruguay Round agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) to prohibit the patenting of life forms and biological processes. African countries maintain that the TRIPS agreement should be consistent with the UN Convention on Biological Diversity, which takes into full account the sustainable use of plant and animal resources and the rights and knowledge of indigenous communities. The Africa Group also argues that the TRIPS agreement should be applied to essential medicines in a way that ensures their availability at reasonable cost.

Labour and environmental standards

While acknowledging the importance of labour and environmental standards, African governments oppose their incorporation within the WTO framework, viewing such linkages as justification for greater protectionism by developed countries. Africa supports improved coordination between the WTO and the International Labour Organisation on trade-related labour matters and finds the WTO's existing Committee on Trade and Environment adequate for environmental issues within its competence.

Regional trade agreements

Africa seeks to continue the existing waiver permitting regional trade agreements, including the Lomé Convention (see box, page 34), as well as efforts toward freer trade within African sub-regions by the Economic Community of West African States and the Southern African Development Community. These arrangements sometimes offer greater advantages to Africa than do the WTO agreements.

Easing membership

Africa supports an accelerated, transparent and simplified membership process for developing countries seeking to enter the WTO. The process should include expanded technical assistance to applicants to ensure both fulfillment of WTO membership criteria and effective participation by new members. ■



Mahogany logs readied for shipment in Côte d'Ivoire. Despite trade liberalization, US and European markets remain closed to most African exports.

UN/EP/WGII