

**Statement by Honourable Popane Lebesa MP, Minister
of Trade and Industry, Cooperatives and Marketing,
Kingdom of Lesotho at the UNCTAD XII Conference Held
in Accra, Ghana (April 20 – 25, 2008)**

Honourable Ministers,
Excellencies,
Ladies and Gentlemen

Chair, allow me to commence by thanking Ghana for having graciously agreed to host UNCTAD XII Conference. One cannot think of a more suited place to hold this major event on the African soil. Ghana is the cradle of the African independence movement.

Permit me also, Chair, to commend Dr. Supachai Panitchpakdi, Secretary General of UNCTAD, for skilfully steering UNCTAD through rocky and stormy straits in the last couple of years. He has done sterling work. The proposed way forward for UNCTAD is convincing and is worthy of the support of all UNCTAD member states.

The choice of the UNCTAD theme and the four sub-themes reflects accurate reading of the recent developments and current trends on the world scene. Their pertinence and timeliness are unquestionable.

The Lesotho delegation wishes to associate itself with the statements delivered and yet to be delivered on behalf of LDCs, LLDCs, Africa Group and G-77 and China. Equally Lesotho also fully subscribes to the Maseru LDCs WTO Declaration (February 27 – 29, 2008), to the African Group Addis Ababa three declarations on WTO issues, on UNCTAD and on EPAs (April 3rd, 2008); to UNCTAD LDCs Declaration, LLDCs Declaration and G-77 and China Declaration; the last three of which were freshly adopted right here in Accra Ghana. Lesotho was honoured and privileged to host a successful LDCs Trade Ministers meeting in Maseru in February 27 to 29, 2008, that produced the Maseru Declaration.

Needless to say the impact of globalisation in the form of opportunities offered and challenges posed, differs from region to region and from country to country within those

regions. Africa faces the most serious challenges. Unless some drastic measures are taken, and urgently, much of Africa will miss the MDGs by a wide margin when the target date of 2015 arrives. LDCs are likewise gravely disadvantaged.

The gaps that need to be filled in LDCs and Africa in order to set them on the road of sustainable socio-economic development and towards poverty eradication, have been amply catalogued by various speakers at different fora during this important UNCTAD XII event. Africa and LDCs need and expect the international community to deliver on old and new promises, namely the Monterrey Consensus, Gleneagles, the Lisbon Programme of Action, successive TICADs, and a few G-8 summits, to mention but some.

Although ODA flowing to developing countries may seem to be growing somewhat, it is highly selective and is still below the critical level required to make a real difference. The UN target of 0.7 per cent of GDP in ODA from among developed countries still eludes some development partners.

At this point, Chair, I wish to observe that ODA to Lesotho, an LDC, is among the lowest per capita; it is even below than that flowing to some middle income countries. Need for ODA has been erroneously equated solely with the degree of external indebtedness. By and large only HIPC's seem to be on the radar screen of the development partners. Non-HIPC LDCs such as Lesotho have been forgotten and marginalised. This is tantamount to punishing those who have meticulously and responsibly managed their external debt portfolios and at great sacrifice.

It is hoped that the promise of Aid for Trade will materialise; that there will be additionality of resources and minimal conditionality and bureaucracy. Enabling developing countries to adjust to changes brought about by the new trading order as a result of the concluded Doha Development Round, and to overcome supply-side constraints to trade, among other things, would be a welcome form of assistance towards achieving effective integration of trade developing countries into the rule based multilateral trading system. Closely related to that, for LDCs, is the Enhanced Integrated Framework (EIF) the successor to IF. EIF brings more resources for mainstreaming trade in

LDCs into the national economic policy framework and integration into the global trading system. It will ensure greater LDCs ownership and foster smoother interaction among partners and is much more results focused. EIF should be operational by the third quarter of this year at the latest. Gratitude goes to countries that have contributed generously to this promising initiative. Others are invited to follow suit.

LDCs and African countries have been trying hard, and continue to try hard to create a conducive atmosphere for FDI. Yet most of the FDI that trickles in from the North still aim primarily at raw material extracting activities with minimal value added before export.

South-South cooperation in trade and investment is another viable option. In this regard, encouraging are the outputs and outcomes of the Africa-China Summit, Africa-Brazil Summit and Africa – India summit. Impact is awaited with great anticipation.

Regional economic integration, use of remittances as a source of development financing, and engaging the private

sector in financing development through Public – Private Partnerships are all strategies that others have been using.

Trade for development is gaining recognition as yet another option for development. This turns attention to the Doha Development Round. Africa and LDCs join others in urging timely conclusion of the DDA, provided that development emerges as the centre piece in the substance of the Round and that African and LDCs proposals are positively addressed. Duty Free Quota Free accompanied by simple, user friendly and transparent rules of origin, mitigation of non-tariff barriers as well as neutralising shocks caused by preference erosion are among the LDCs proposals in the area of market access. In the area of services, key areas are operationalising of special priority, addressing the issue of domestic regulations in an LDC friendly manner, and responding positively to the Mode IV proposal. The Cotton issue spearheaded by the C-4, is of keen interest to LDCs and has to be resolved in a balanced and fair manner in order for the DDA to be concluded. LDCs are eager to see adherence to the decision to expedite accession of LDCs to WTO.

It is hoped that following the General Assembly's mid-term review of the Almaty Programme of Action for LLDCs the implementation of its contents will be accelerated and pursued vigorously to full fruition.

Chair, the Kingdom of Lesotho fully subscribes to the call for uprooting corruption. Often "corruptors" come from the North; they should be contained by the authorities in the North. Admittedly "corruptees" are often in the South and should be dealt with accordingly by the authorities in the South. North – South co-operation is needed in dealing with this scourge. Unfortunately, Chair, Lesotho became marginalised by some in the North for adopting a zero tolerance to corruption. Instead of praise and encouragement Lesotho has been, and is still being, ostracised for its bold action in this regard. Lesotho remains determined to eradicate corruption.

Gender remains an important issue in trade and development.

Sky-rocketing food and oil prices together with dire consequences in Net Food Importing Developing Countries

and oil importing countries; turmoil in international financial markets, call for resolute action. HIV and AIDS need to be effectively contained.

There ought to be a special programme of assistance for graduating LDCs lasting for at least ten years. Soft landing in a new zone, the middle income zone, is more encouraging than shock treatment currently accorded graduates.

Chair UNCTAD ought to be strengthened in order to be able to adequately cope with its mandate. Sufficient flexibility should be allowed to enable UNCTAD to address emerging pertinent major issues.

In conclusion, Chair, allow me to underline the ultimate objective of socio-economic development that is the betterment of the lives of large and growing majority of the people. In the words of the Minister from Australia: "Growth is not about economics; it is about improving the lives of the people that are trapped in poverty".

Gratitude has to go to India and Brazil, which are developing countries offering LDCs DFQF market access. May others follow suit. Gestures of Turkey are duly noticed and appreciated, in this regard.

The Kingdom of Lesotho once again congratulates and cheers along Qatar for offering to host UNCTAD XIII.

I thank you Chair.