

STATEMENT BY BAHRAIN

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**AT THE UNITED NATIONS CONFERENCE
ON TRADE AND DEVELOPMENT**

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**São Paulo, Brazil
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Kingdom of Bahrain



مملكة البحرين

ADDRESS BY

HIS HIGHNESS

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SPECIAL ENVOY

OF THE KINGDOM OF BAHRAIN

TO THE ELEVENTH SESSION OF

UNITED NATIONS CONFERENCE ON TRADE AND

DEVELOPMENT

13 – 18 JUNE 2004

SAO PAULO, BRAZIL

Mr. President, Your Excellencies, Mr. Secretary-General, Heads of Delegations, distinguished delegates,

I have been honoured by my Government to represent the Kingdom of Bahrain at this Conference, which will focus on a number of development related issues, particularly in the context of developing countries. May I congratulate you on assuming the Presidency of UNCTAD XI and the members of your bureau. May I also thank the Government of Brazil for its generous hospitality and warm welcome, and for the efficient preparation and organization of this important Conference and its associated events.

Heading such a conference, and steering it to a successful conclusion is not an easy task, but we have every confidence, Mr. President, that you and the Vice Presidents, will be more than up to the task, and we look forward to a positive outcome, which meets the primary objectives of the conference.

I would like also to take this opportunity to commend Mr. Rubens Ricupero, Secretary-General of UNCTAD, for his tremendous efforts over the past four years, which have led us to UNCTAD XI.

Mr. President,

The current world economic outlook is characterized by a slowdown in global demand, increasing unemployment in some areas, and a growing disillusionment with globalization, as some countries gain disproportionate benefit whilst others continue to be marginalized. The marginalization of those countries is made worse by the huge subsidies that the major industrialized countries give to, for example, their agricultural sectors.

There is no single development policy that will work for all. The dynamics of every country are different, but what is certain is that unless an equitable balance is reached in reaping benefits from globalization, and in addressing the marginalization felt by many countries and societies, there will be an increasing pressure towards adopting more country-centric policies.

Bahrain is convinced that dialogue is the most important element in achieving comprehensive and sustainable development, with UNCTAD seen as the most important development forum for dealing with the issues of developing countries. Now, more than ever, the role of the organization in assisting developing countries to build national capacity needs to be expanded, to compliment the work of other institutions, in particular the WTO, the IMF and the World Bank. Bahrain has long adopted the principle of open markets as a development philosophy. Far from being intimidated by the prospects of global competition, we see that opportunities exist to grow business beyond our national boundaries, and we encourage inward investment to take advantage of our legal, commercial and financial infrastructure.

Developing national capacity needs focus and energy. It has to be a national goal supported by the international community. It is in the interests of global development, and peace, that all countries work together in a true spirit of cooperation to tackle the fundamental objectives of the UN Millennium Report, Freedom from Want, Freedom from Fear and Sustaining the Future.

Bahrain has been working closely with international organisations such as UNCTAD and UNIDO in the area of sustainable development, and we have a number of achievements of which we can justifiably be proud.

My country recognizes the development of our human resources as a key component in economic growth. This involves not only looking to education and health systems, but also ensuring that each person can participate in the affairs of their country.

We have made major advances in the continual process of democratic and constitutional development, particularly in the holding of both municipal and parliamentary elections in which all citizens, both men and women, now have equal participative rights, as both voters and candidates.

In education, Bahrain is convinced of the value of developing the full potential of its people, who are its most valuable resource, and is committed to providing high quality education and vocational programs. The UN "Quest for Trade" programme, for example, is taught in a number of schools, with positive results. The programme helps build interconnectivity and encourages efficient internet application and usage.

It is a measure of the success of our advances in democracy and education that women now contribute over 30% to new business start-ups in Bahrain: a clear sign that Bahrain is attempting to harness all of its productive capacity.

Mr. President,

Our focus on expanding the openness of our economy. has taken a significant step forward in recent months, with the successful conclusion and signing of a Free Trade Agreement with the United States. We hope to make progress on doing the same with other countries, such as Singapore and the European Union. We believe that the creation of Free Trade Agreements will essentially reinforce WTO negotiations and provide development gains through mutual cooperation and technical assistance.

As an economy based on service, Bahrain is keen to enhance its e-commerce capability as an industry in its own right, as well as continually improving our citizens' access to information and services. The UNDP can be of great assistance to developing countries by providing support in further development of their IT infrastructure, and generally in strengthening their capacity to expand their productive processes.

Mr. President,

Between 1999 and 2002 Bahrain's GDP has expanded by 27%, with more than half of this gain coming from the service sector, a sector in which IT plays an increasingly important role. We are not alone in this. The digital divide is narrowing, and UNCTAD, along with the UNDP, can play a pivotal role in closing the remaining gap.

Mr. President,

All the sub-themes of this conference lead to one conclusion: that cooperation and partnership is the framework for the development roadmap.

Developed countries must cooperate with, and partner with, developing countries. Without this there will be no significant balancing of the gains from the international trading system. We believe that UNCTAD must concentrate its efforts on creating the necessary environment to facilitate such cooperation.

Globalization has created a situation where national economic policies of developed countries have a direct and significant impact on developing countries: sometimes beneficial, sometimes damaging. The major industrialized nations must therefore view trade and development from a wider perspective and take into consideration the interconnection between all countries of the world in terms of trade and finance to ensure global stability and prosperity. In this regard, there needs to be a greater realization by developed countries that increased participation of developing countries in global trade under conditions of equal opportunity and fair competition, is in the common interest of all WTO members.

The international community must work hard to improve global trade and development, and to do so, it must enhance these processes. Today, extremism and terrorism have become major impediments. Bahrain has therefore joined the rest of the world in fighting this scourge, which undermines international trade and the development of societies.

There is little doubt that equitable international development improves the lives of ordinary people worldwide in a clear and measurable manner and plays an important role in advancing peace, and in containing and reducing extremism and terrorism around the world.

Mr. President

Before I conclude I wish to state that Bahrain welcomes the unanimous adoption by the United Nations Security Council of resolution 1546 that provides for Iraq to resume its full sovereignty and maintain its territorial integrity. We look forward to Iraq fully managing its own affairs, living in peace and harmony in our region, and making a valuable and positive contribution to the development of the Middle East and the rest of the world.

Finally, I would like to thank UNCTAD for their assistance in the past and by looking forward to a strong future work programme which will help developing countries to move further along the road to sustainable development through a process in which trade becomes truly an enabling tool for the equitable sharing of global growth.

Thank you.