

STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MARWA KISIRI, MINISTER
COUNSELLOR, PERMANENT MISSION OF THE UNITED REPUBLIC OF TANZANIA TO THE
UNITED NATIONS IN THE SECOND COMMITTEE OF THE 52ND GENERAL ASSEMBLY ON ITEM
95(B): TRADE AND DEVELOPMENT

New York, 10 November 1997

Mr. Chairman,

Permit me to address the Committee on behalf of the Group of 77 and China in connection with item 95(b) dealing with trade and development. The Group regrets the delay in issuing documentation on this item.

Trade liberalization and globalization are recognized as inevitable processes which bear positive benefits to the world's economy. However due to globalization's asymmetry and uneven performance, most of the developing countries, especially the least developed and many African countries, have not benefited from globalization. And indeed these countries remain marginalized from the benefits of the process.

Mr. Chairman,

While acknowledging that development requires the existence of each country's sound domestic strategy and programmes, the Group maintains that an enabling external environment including in trade, finance and investment has an equally critical role to play. In this context, enhanced international dialogue on policy coherence remains a crucial issue to be tackled including along ECOSOC's (July, 1997) agreed conclusions of the High-level segment on this issue.

Mr. Chairman,

In order to integrate the developing countries in the multilateral trading system, there is a critical need for an equitable, secure, non-discriminatory and predictable multilateral trading system which should enhance trade and development possibilities of these countries and facilitate an increased share of their international trade. Developed countries should avoid all forms of protectionist tendencies and implement international trade liberalization measures as a necessary step towards the establishment of a just and equitable multilateral trading system. The trade policy reforms being undertaken by developing countries would be frustrated unless the developed countries take positive structural adjustment measures providing larger export possibilities to developing countries. The developing countries should be provided with technical and other forms of assistance in the process of implementation of various agreements relating to trade and development.

Mr. Chairman,

The establishment of the World Trade Organization (WTO) has ramifications on the development of developing countries covering trade in goods, services and trade related intellectual property rights. It is critical therefore that all commitments by developed countries concerning special and differential treatment of developing countries as well as trade liberalization by developed countries in all areas of export interest to developing countries be fully implemented so as to enhance their market access opportunities and integration in the international trading system. Regarding both the traditional and new trade areas covered by WTO, the process of further liberalization should entail a phased approach and should recognize the special needs, interests and conditions of the developing countries.

Mr. Chairman,

The Group of 77 and China believes that a mutually supportive relationship between trade and environment policies is essential for the attainment of the goals of sustainable development. In this context, we emphasize that environment policies and measures must not be used for protectionist purposes.

The realization by developing countries of their environmental goals and objectives would justify benefit from positive measures such as enhanced market access for their exports, improved access to finance and transfer of environmentally sound technologies, and increased international cooperation on capacity building. The Group emphasizes that new pretexts such as labour standards should not be used to create new forms of disguised protectionism against trade of developing countries. Also it is essential that to address the high incidence and avoid resort by developed countries to anti-dumping and countervailing duty measures to unfairly target developing country exports as well as their use of technical barriers, environmental and social excuses for protectionist purposes.

The Group reiterates the importance of ensuring universality of the World Trade Organization (WTO) and, in this context calls for expeditious accession without political impediments for those developing countries that are applying for membership of the World Trade Organization and also for ensuring transparency.

Mr. Chairman,

The commodity-dependent economies, which include most of the African and least developed countries, suffer from the excess instability and fluctuations in commodity prices in international markets. Due to exogenous factors such as declining prices, even in cases where there are substantial volume increases, these do not always translate into comparable export earnings from commodities. In this context, the Group reiterates the need for commodity support measures, inter alia, through fulfilling the objectives of the Common Fund for commodities and strengthening its operations. We express concern at the withdrawal of some major countries from the Common Fund including the one of last month. This has happened despite the continuing instability and decline in real terms of many commodity prices faced by commodity-dependent developing countries. The latest withdrawal - which has involved one of the prominent contributors of the Fund, could seriously jeopardize the functioning of the Fund. Moreover, this unexpected withdrawal could put unnecessary additional pressure in the efforts to achieve the overall objectives towards stable and predictable policies as well as a better functioning of commodity markets.

Mr. Chairman,

The Group of 77 and China urges the preference-giving countries to improve and renew their Generalized System of Preference (GSP) schemes in the post-Uruguay Round trading system with a view to supporting the integration of the developing countries, especially least developed countries, into the international trading system.

Mr. Chairman,

The situation of the least developed countries in the sector of trade, debt and external support remains a matter of great concern. The Committee should consider how to reverse this trend as well as required measures for accelerating implementation of the Programme of Action for the LDCs for 1990's. We appreciate the convening in Geneva during last week of a high-level meeting of WTO, UNCTAD, ITC and donors. The Group also underscores the need to fulfil all internationally agreed commitments in favour of the land-locked developing countries.

Mr. Chairman,

The Group emphasizes that the United Nations Conference on Trade and Development (UNCTAD) should continue its role as the principal forum of United Nations for the integrated treatment of development and the

interlinked areas of trade, finance, technology, investment and sustainable development. UNCTAD should conduct macroeconomic analysis, including aspects of globalization and its impact on developing countries. The effective participation of developing countries in global negotiations is essential to secure their interests, and in this context, UNCTAD's role in supporting developing countries trade and development negotiations should be strengthened. The Group is convinced that the Tenth Session of the United Nations Conference on Trade and Development (UNCTAD-X), to be held in Bangkok, Thailand, in the year 2000 would provide a good opportunity to advance global partnership for trade and economic cooperation for the next millennium.

Mr. Chairman,

In conclusion, the Group reiterates the significance of the international community extending technical and financial assistance to developing countries to enable them to build the necessary trade capacities required for them to benefit from and be effectively integrated in the multilateral trading system. In the same vein, it is critical that South-South cooperation programmes in trade and other sectors receive the necessary assistance from the international community. Also programmes aimed enabling the developing countries particularly in the least developed countries to cope with. In an era marked with an increasing use of electronic commerce should also be promoted with the support of the international community. The United Nations system can play an important role in this regard, particularly for the least developed countries.

I thank you.