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MALAWI

Statement by the Honourable S.D. Kaliyoma Phumisa Minister of Commerce and Industry

First of all, let me join the previous speakers in thanking the Government and people of the United States of America for their warm welcome. I am also thankful for the excellent facilities made available for this important conference.

This Conference is of historical and far-reaching importance in that it will lay the foundation for the programme of work that will guide the multilateral trading system in the new millennium. It is the expectation of my delegation that the outcome of the Conference will facilitate further development and reduction of poverty of Member States, particularly the least developed countries

As we enter into the new round of negotiations, it is necessary to take stock of what we have achieved following the last two Ministerial Conferences, particularly with respect to implementation of Marrakesh Agreements and special measures for the development of LDCs including the integrated framework for trade-related technical assistance to LDCs.

Malawi, as a least developed country, continues to face difficulties in implementing the Uruguay Round Agreements. These include:

- The inability to comply with World Trade Organization obligations including notification requirements;
- inadequate human and financial resources to enable us to review and align our national laws, rules and regulations to WTO requirements;
- the complexity of the nature of the obligations;
- lack of access to technical assistance.

Malawi still faces a number of trade, and economic-related problems such as debt burden, decline in commodity prices, weak competitiveness, limited technological capacities, supply-side constraints, inadequate infrastructure, balance-of-payment problems and rising transport costs due to our land-lockedness. In this regard, I wish to express my delegation's concern at the lack of quick implementation of the integrated framework for assistance to address some of these problems.

I wish to stress the importance of the special and differential treatment and suggest that it should be made an integral part of the multilateral trading system and be made operational. It should be noted that agriculture is the mainstay of Malawi's economy. Food security and maintenance of agriculture-based livelihoods are some of our developmental goals. But, export subsidies practised by

developed countries on agricultural exports have distorted the market and rendered our exports uncompetitive.

Malawi, therefore, would advocate for:

- Duty-free, quota-free access for all primary and processed agricultural products from LDCs to markets in developed countries;
- technical and financial assistance to LDCs to enable them to increase their local food production, capacity in marketing, storage and distribution;
- exemption for LDCs from undertaking commitments on domestic support and export subsidies;
- significant tariff reductions by developed countries in agricultural trade;
- elimination of export subsidies in agriculture by developed countries and the review of blue-box measures which are currently in favour of developed countries;
- elimination of non-tariff barriers in agricultural trade.

The negotiations in the services are expected to present both opportunities and challenges to the least developed countries. Therefore, technical assistance is needed for modernization of services and formulation of appropriate regulatory framework. Liberalization in this sector should be gradual and geared towards national development policy objectives.

There is indeed a large share of WTO's work programme ahead regarding the review of the Agreements and other work provided for under the existing Agreements and decisions. In undertaking these tasks there is a need to relook at the problems which have been identified in the course of implementation. The exports of textile and clothing for example from LDCs should not be subjected to anti-dumping duties and safeguard measures.

On the new issues such as investment, competition policy, transparency in government procurement, trade facilitation, electronic commerce, it is important to have deeper analysis of them and possibly negotiated on a case-by-case basis.

In conclusion, we would like to reiterate Malawi's commitment to implementation of WTO and other Agreements. Malawi like any other least developed country, will strive to contribute to the strengthening of the multilateral trading system despite our limited financial and human resources. It is our hope that given the support of the WTO cooperating partners, Malawi can be fully integrated into the multilateral trading system.
