

**Statement by Hon'ble Mr. P.R. Dasmunsi, Member of Parliament and
Member of the Indian Delegation on Agenda Item: 91(a) International
trade and development, and 91(g) Commodities at the Second
Committee of the 58th Session of the UN General Assembly on
November 6, 2003**

Mr. Chairman,

My delegation thanks the Secretary General of the United Nations Conference on Trade and Development [UNCTAD] for the detailed reports submitted under the Agenda item on International trade and development. We would particularly place on record our appreciation to the Secretary General of UNCTAD for the excellent analysis contained in the Trade and Development Report for 2003. We associate ourselves with the statement made by Morocco on behalf of the Group of 77.

Mr. Chairman,

All countries have, or ought to have, a shared interest in achieving an open, equitable, rule-based, predictable and non-discriminatory multilateral trading system, a goal that was reiterated in the Millennium Declaration. For the developing countries, this is even more significant as we regard trade not as an end in itself but as a means to development.

It is not surprising that the discussions on this sub-item this year have tended to focus on the developments in the field of multilateral trade negotiations, and in particular the WTO Ministerial meeting in Cancun and its aftermath. These discussions are critical for providing insights into the problems faced by the developing countries as they continue to meet the challenges of development and try to meet their commitments and targets, including the Millennium Development Goals.

The participation of developing countries in the global trading system must ensure improved market access and price stabilisation for exports, allow greater policy space to develop local industries and reduce barriers to their exports. Without these, the confidence of the developing countries, shaken as they have been by the recent events, would be further eroded.

Given the resource crunch faced by the developing countries and moreover, net resource transfer from developing countries reaching alarming levels, we need to inject an element of priority in the trade negotiating process if the developing countries are to meet the challenges of development. Even though development had been placed at the centre of the Doha Work Programme, all the Doha deadlines were missed. Even the agreement on Paragraph 6 of the Doha Ministerial Declaration on TRIPS and public health took a long time after unnecessary protracted negotiations, which further weakened the confidence of developing countries.

The Cancun Ministerial Conference had provided ample opportunity to move forward. It is perhaps pointless to speculate as to whether Cancun broke down because of the imbalance in the revised draft text that was loaded heavily against the interests of developing countries, or because of the insistence on inclusion of Singapore issues. We feel that little purpose would be served in trying to apportion blame for the failure of Cancun.

The developing countries displayed remarkable solidarity in Cancun. This was a significant achievement, coming as it did in spite of pressures exerted on them. It would be difficult henceforth to decide on the agenda and details of the negotiations only on the basis of agreement and decisions among the trade majors. The interests and concerns of the developing countries will need to be taken on board for the resumption of the negotiations. This in itself should be recognised as a positive development. Another positive feature of the Doha round was the role of a group of developing countries in articulating effectively the viewpoint of the developing countries, as a whole, in particular that of the community dependent on agriculture for livelihood, before the Cancun meeting.

In the discussions on resuming negotiations in WTO, we need to listen to one another, to appreciate the concerns of all and to find solutions that are multilaterally acceptable while adhering to the Doha mandate. As pointed out by UNCTAD, systematic effort and demonstration of political will are needed to deliver on the development agenda of Doha. The necessary political commitment and the sincerity of purpose should be shown by all to ensure the success of Doha Work Programme.

In the post-Cancun scenario, in relation to agriculture, we need to place emphasis on the elimination of distortion in global agriculture markets and safeguarding the specific food and livelihood security and rural development concerns of the developing countries in line with the Doha mandate.

In a multilateral trading environment, given the difference in levels of development and the ability of countries to assume obligations, it is imperative that their development concerns are addressed effectively. The developing countries should not be coerced into assuming obligations that they can ill afford. Any obligation assumed by developing countries should be based on their ability of human resource development, indigenous economic resource mobilisation and national conviction rather than coercion. India would like to see the WTO membership paying more serious attention in the post-Cancun phase to the issues of critical importance to developing countries such as the need to operationalise provisions relating to special and differential treatment of the developing countries, and implementation issues, so that decisions favouring developing

countries could be taken. We also hope that the forward movement achieved so far on negotiations for non-agricultural products and services do not get derailed as a result of the failure of Cancun.

The coming days are crucial in clearly defining the role of the multilateral trading system. We hope to see all WTO members play a positive role in moving ahead with Doha work programme in ensuring a fair and balanced outcome of the negotiations, taking into account interests of all members, particularly the developing countries, and retaining the development focus therein, as mandated at Doha.

Mr. Chairman,

The Secretary-General has presented to the General Assembly the report of the Eminent Persons on Commodity Issues, held in Geneva on September 22-23, 2003 in response to the resolution on the subject adopted by the Assembly last year. We were also privileged to listen to President Moussevini of Uganda on November

3. My delegation wishes to express particular appreciation to the President of the 58th session, His Excellency Hon'ble Julian Hunte, for taking a keen interest in the question of commodities. This is a subject that is vital to the survival of several developing countries that continue to depend on export incomes of commodities, especially those in sub-Saharan Africa. It is easy to advocate diversification and value addition; however, as long as the tariff structures in the developed countries provide for increases with each degree of processing, these are extremely difficult to accomplish. Without finding durable solutions to the problems of commodity-dependent countries, including volatility in prices and the impact of declining terms of trade on their developmental efforts, these countries will not be in any position to achieve development targets, including the Millennium Development Goals.

Mr. Chairman,

Before concluding, we would like to underline the importance of policy dialogue under the auspices of UNCTAD. As a focal point in the UN System for the integrated treatment of trade and development and with its vast pool of intellectual resources, it is pre-eminently placed to examine and analyse trade and development issues and to build a consensus on policy formulation in a globalising world from a development perspective. The core competence of UNCTAD has been in providing policy analysis and incisive insights in the inter-relationships among trade, money and finance, technology and development. It has a major role to play in strengthening our understanding of the development dimension of inter-dependence. We also support the role of UNCTAD in defining an integrated approach to global economic governance and in this context, we welcome the participation of UNCTAD in the annual meetings of ECOSOC with the Bretton Woods institutions and WTO.

Thank you, Mr. Chairman.

[BACK TO TABLE OF CONTENTS](#)