

MINISTERIAL MEETING ON TRADE AND DEVELOPMENT  
DAR ES SALAAM, 20<sup>TH</sup> JANUARY, 2005

**STATEMENT BY CO-CHAIRS,  
MS CARIN JÄMTIN  
MINISTER OF DEVELOPMENT COOPERATION OF SWEDEN AND  
DR. JUMA NGASONGWA,  
MINISTER FOR INDUSTRY AND TRADE OF THE UNITED REPUBLIC OF  
TANZANIA**

Dear colleagues and friends,

We are happy that ministers and distinguished delegates from twenty African countries<sup>1</sup> and the five Nordic countries<sup>2</sup>, have met here in Dar es Salaam on 20<sup>th</sup> January, 2005 for a dialogue on trade and development for poverty reduction. A number of international organizations<sup>3</sup> and NGOs<sup>4</sup> have also attended the meeting.

The purpose of the meeting has been to contribute to an enhanced and continuing dialogue on this topic, between developing and developed countries, an opening of the minds to various perspectives and points of view. It has also been an opportunity for African countries to share experiences with the Nordic countries on developments in regional integration schemes, as instruments for trade development. We now have a better understanding of different perspectives to take with us to the international fora where we are operationally dealing with the issue of the development needs that will enable African countries to make better use of their potential for effective participation in global trade, sustainable economic growth and poverty alleviation.

It is clear to us that increased efforts and commitment in order to reach the Millennium Development Goals have to be made by both developing and developed countries. In particular, the aim of halving poverty in Africa by 2015 should be given

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<sup>1</sup> The 20 African countries are: Benin, Botswana, Burkina Faso, Egypt, Ethiopia, Ghana, Kenya, Malawi, Mali, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Tanzania, Senegal, South Africa, Uganda and Zambia

<sup>2</sup> The Nordic countries are: Denmark, Finland, Iceland, Norway, and Sweden

<sup>3</sup> The international organizations are: IMF, ITC, UNCTAD, UNDP, World Bank, WTO and the UN Economic Commission for Africa.

The African cooperation organizations are: AU, COMESA, EAC, ECOWAS and SADC

<sup>4</sup> The NGOs are: Danish 92 Group, Norwegian Church Aid for Eastern Africa, Forum Syd, Sweden, IGNIS Foundation/Norwegian NGO Forum, SEATINI

The Private Sector Organizations are: Norwegian Farmers Union, ROPPA, Uganda Manufacturers Association, Confederation of Tanzania Industries, Confederation of Danish Industries, Zambia Association of Chambers Of Commerce and Industry (ZACCI), Zambia Export Growers Association (ZEGA).

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The EU was represented by the European Commission.

the full attention that it deserves. Economic growth is a prerequisite for fulfilling this objective. International trade is an essential factor for creating such growth.

There has been a general understanding among us, that the main responsibility for creating a more growth-oriented environment in developing countries, primarily lies within the countries concerned. The success depends on a number of factors that include good governance and private sector development. The New Partnership for African Development (NEPAD) and the establishment of the African Union (AU) have underscored these priorities and the African ownership of the development process. Several African countries have adopted Poverty Reduction Strategies. These have strengthened the partnership between African developing countries and the international community for reaching the common goal of poverty-eradication. The Nordic countries, and the developed world at large, have to make continued efforts and commitments to contribute to this process.

Ministers observed that trade is an important vehicle for accelerated growth. There was a common understanding that active participation by the African countries in ongoing negotiations in the WTO under the Doha Development Agenda (DDA) is of crucial importance. It was generally agreed that developing countries would benefit a great deal from an effective rules-based multilateral trading system. Such system would create opportunities and address challenges that face small and weak countries in the community of world trading partners in a global environment.

It is important to ensure that the Doha Development Agenda delivers the promise of development and a result for developing countries that mirrors their trading interests. Continued dialogue between African countries and the Nordic countries, to identify challenges at hand, could benefit the DDA process. African interests need to be efficiently addressed during the DDA negotiations. We have to strive to ensure a development-oriented outcome, which includes tangible benefits for the developing countries, especially for the least developed countries (LDCs). African countries could learn from the practical experience of Nordic countries when it comes to regional trading arrangements that are compatible with requirements in the multilateral trading system. The Nordic countries remain committed to supporting African countries in this.

Many issues have been discussed during our deliberations here today. The interventions have pointed to the following as actions of particular importance:

- Ensure a development-oriented result of the DDA negotiations. This would, include tangible benefits for the developing countries, especially the LDCs;
- Address outstanding problems concerning implementation of WTO agreements;
- Make special and differential treatment for developing countries more precise, effective and operational. The principle of binding commitments amongst trading partners should be underscored in this;

- Liberalize trade, both north-south and south-south. Improved market access for products of particular interest to African countries is of key importance;
- Eliminate export subsidies for agricultural products;
- Make determined efforts for the African countries to benefit from improved market access;
- Alleviate short-term negative consequences for vulnerable developing countries of trade liberalization. This would include the question of preference erosion, loss of government revenue and employment, and need for safety nets to mitigate against the social costs of liberalization; and
- Seize the opportunities for growth and development that are inherent in trade facilitation.

As trade in itself is neither sufficient nor the only means for creating growth and prosperity, there was a general understanding that economic development in Africa should be promoted in many ways. Ministers underlined that problems concerning supply-side constraints have to be addressed. Integration of trade, including the issue of private sector development, into the national development plans and/or poverty reduction strategies would be an important step in this regard. PRSPs should coherently reflect national priorities and form a solid basis for national ownership of the development process. It would also stimulate well-targeted and coherent trade related assistance (TRA) from the international community towards the common goal of eradicating poverty.

Regarding trade related assistance, it was agreed that further technical and financial assistance to African countries is necessary. Such assistance should not only help African countries participate fully in the WTO negotiations. It should also enable them to address internal constraints in order to fully utilize their trade potential. The Nordic countries remain committed to supporting various trade related assistance, notably through the Integrated Framework (IF) and other instruments.

Individual countries have specific interests and views on the subject of trade and development. This is the reality for Nordic and African countries alike. This does not, however, preclude the possibility and importance of developing a common point of reference. The Nordic and African countries share a common and strong interest in promoting development. We think that international trade plays an important role in this respect. Consequently, we share a common interest in strengthening the multilateral trading system to promote development. This shared interest is the binding force that has brought us together here in Dar es Salaam. With the objective of working for a fruitful conclusion of the next WTO Ministerial in Hong Kong we shall continue to exchange views and ideas in all relevant international forums as well as in the bilateral context. We shall continue the dialogue that we have started here in Tanzania.

**Dar es Salaam, January 2005**