



SAARC Chamber of Commerce & Industry's

Delegation to Geneva



SAARC CHAMBER OF COMMERCE & INDUSTRY

Session at Annual WTO Public Forum

Stocktaking of WTO Negotiations: Concerns of Developing Countries

WTO Headquarters, Geneva

September 26, 2006

The SAARC Chamber of Commerce and Industry (SCCI), an apex business organization of SAARC, organized a session entitled, "Stocktaking of WTO Negotiations: Concerns of Developing Countries" at the Annual WTO Public Forum 2006 on September 26, 2006 at the WTO headquarters in Geneva. The main purpose of this session was to highlight and raise issues of developing countries, particularly South Asia, at an international forum.

The Annual WTO Public Forum 2006 was held from September 25-27, 2006 at the WTO headquarters in Geneva. The objective of the Forum was to stimulate discussions among stakeholders and participants about significant WTO issues. The theme for the Forum, "What WTO for the XXIst Century?" focused on WTO and its significance in the 21st century.

The objective of SCCI's session was to address the concerns of both developing and least developing countries (LDCs) with special interest of the private sector regarding the WTO negotiations. Recently in July 2006, the Doha talks have been postponed for an indefinite time over which the South Asian business community is disappointed. The speakers discussed issues that are essential to successfully conclude the Doha Round of negotiations without suppressing the interests of the developing countries.

Dr. Manzoor Ahmad, Pakistan Ambassador & Permanent Representative of the Permanent Mission of Pakistan to the WTO in Geneva moderated the session, set the tone and introduced the speakers. He emphasized three key issues responsible for the lack of progress. First of all, the overall cut in domestic support by US was perceived to be negligible by other countries. Secondly, the market access offered by Europeans was also perceived not to be enough. Thirdly, developing countries were looking

Main Objectives

- South Asian integration into the global economy
- Ensuring private sector commitment to WTO negotiations
- Seeking assistance from multilateral trade organizations in Geneva
- Networking with South Asian Ambassadors in Geneva
- Enhanced representation of South Asia in the international scenario

Session Objectives:

- Importance of WTO and its role in global development in the 21st century
- Discuss the issues which led to the suspension of the Doha talks
- Raise concerns of developing countries at an international forum
- Highlight the interest of the developing countries and LDCs so their interests are not suppressed in the multilateral trading system

How to move forward with WTO negotiations

for exceptions for special product and some of the major countries were looking for markets in advanced developing countries, which caused a clash in interests.

Martin Khor, Director, Third World Network, Malaysia, spoke about "What WTO for the 21st Century". He expressed that the main aim of WTO is to create a multilateral trading system that is predictable, fair and that is operating in a transparent, participatory manner. He stressed that full participation of developing countries is needed as well as



(from left to right) Dr. Manzoor Ahmad, Pakistan Ambassador & Permanent Representative, Permanent Mission of Pakistan to the WTO, Geneva and Dasho Ugen Teachup Dorji, President, SAARC Chamber of Commerce and Industry addressing the SCCI Session at the WTO Public Forum, September 26, 2006



The speakers of the SCCI session at the WTO Public Forum.

(from left to right): Martin Khor, Director, Third World Network, Malaysia, Rashid S. Kaukab, Head, Strategic Policy, Planning and Coordination, South Centre, Geneva, Dr. Manzoor Ahmad, Pakistan Ambassador, Permanent Mission of Pakistan to the WTO, Geneva, Dasho Ugen Tsechup Dorji, President SCCI and Pradeep S. Mehta, Secretary General, CUTS

the need for just principles, rules and agreements. The current Doha round is called the 'development round' and its overall aim is global development. The outcome of the round was to re-balance the negotiations in such a way that they would not be biased against the developing countries. And because that re-balance could not be attained, the talks were suspended. Mr. Khor urged that the way forward for the negotiations is that the two major development issues - implementation and special and differential treatment (S&DT) be revived and put in the forefront of the negotiations. He also stressed that it is up to the developing countries to reorganize themselves, establish a common ground and assertively put these issues forward for their own interest and benefit.

Rashid S. Kaukab, Head of Strategic Policy, Planning and Coordination at the South Centre in Geneva centered his address on the interest and concerns of the least developing countries (LDCs). He pointed out three pillars that are essential for development, particularly for LDCs: enhanced market access, balanced rules and effective capacity building. He explained that the way forward for the LDCs should be to pursue these development pillars collectively and consistently.

Pradeep S. Mehta, Secretary General, CUTS International based in India spoke primarily about how developing countries, particularly South Asia can move forward with the WTO negotiations and come to an agreement on better equity in the multilateral trading system. He expressed that until political problems in South Asia are not solved, the region cannot move forward in development. Hence, there is a strong need for the countries in the region to form a common position on the basis of understanding and respect for the others' interests. Only with such a strong, united front would the region be able to succeed in the negotiations.

Dasho Ugen Tsechup Dorji, President SCCI focused his address on the concerns of private sector and expressed the keenness of the South Asian business community to have the WTO negotiations back on track. He pointed out that the delay in negotiations should be looked at with optimism as the suspension of the Doha talks provides an opportunity to reflect upon the need for a re-imagined global economy that would actually contribute to real development and poverty eradication for future generations. Mr. Dorji also mentioned that developing countries are now empowered and have the knowledge to play a significant part in the negotiations so that their interests are not suppressed. He emphasized that the way forward was to reconcile the conflicting interests of the developed and developing countries and work out a fair compromise to promote global development.

Recommendations

The recommendations gathered from the session were:

- There should not only be a free trade regime but it should also ensure a fair trade policy. This will not only result in creation but will also act as a catalyst guaranteeing more equitable growth and development.
- There must be major restructuring of existing allocation priorities in the policies and conditions for an improved infrastructure for trade. It is a well-known fact that most of the developed countries had industrialized behind high tariff barriers. Thus the developing countries must be given enough policy space to use tariffs selectively for industrial promotion.
- There is a need to broaden our economic and political command and to evolve a development strategy that reaches to the bulk of the population.
- Special and Differential Treatment (S&DT) is pivotal and cannot be ignored as it promotes economic development of developing countries, including LDCs.
- Keeping in view the present geo-political environment, the Governments of developing countries need to develop a mechanism in collaboration with developed countries to facilitate Mode 4 so as to ensure that professionals from developing countries will return to their respective countries within the determined timeframe.
- The developed countries must deliver their commitments, such as substantially improving market access for goods and services of export interest to developing countries and the LDCs and increase their trade related technical assistance.
- Establish a common South Asian position on a number of significant issues affecting these countries.



(from left to right): Rashid S. Kaukab, Head, Strategic Policy, Planning and Coordination, South Centre, Geneva and Martin Khor, Director, Third World Network, Malaysia.

The session succeeded in attracting a number of prominent participants and stimulated interesting discussions after the speakers presented their views. The speakers were able to eloquently raise the issues which were being faced by the developing countries during the WTO negotiations in Doha and beyond. The WTO is an extremely important and powerful means to promote a multilateral trading system and consequently economic growth and global development. A multilateral trading system has become both an emblem and a living example of global economic interdependence and heightened stakes for all countries. It is needed by the developing countries as the best possible shelter against arbitrariness and as a guarantor of fairness and equity in their trade relations. And it is needed by them because trade is an increasingly important determinant of their economic growth and development to escape from the vicious circle of poverty in which they are trapped. But, developed countries also need the multilateral trading system to involve the developing countries in trade liberalization, so that their economies can trade and invest with greater freedom, certainty, predictability and security across borders.

Delegation's Call on Pascal Lamy, Director General WTO

September 25, 2006

The President of the SAARC Chamber of Commerce and Industry (SCCI), Dasho Ugen Tsechup Dorji led a delegation to Geneva from September 25-27, 2006. The delegation included fifteen leading businessmen from South Asia. The delegation took part in the Annual WTO Public Forum and had meetings with several international trade organizations including the International Trade Centre (ITC) and World Intellectual Property Organization (WIPO) in Geneva.

On September 25, the Delegation had a call on with Mr. Pascal Lamy, the Director General of the World Trade Organization (WTO) to raise concerns of South Asia on WTO negotiations. The delegation communicated the disappointment of the South Asian business community due to the suspension of the Doha talks and expressed the view that the talks should be resumed and completed by the end of this year. The meeting, which lasted one hour, highlighted significant issues including the need to reduce huge agriculture subsidies of developed countries, the necessity of Special and Differential Treatment (S&DT) for developing countries and the need for making the 'Aid for Trade' initiative operational as recommended by the WTO Task Force.

Mr. Pascal Lamy appreciated the participation of the SAARC Chamber of Commerce and Industry (SCCI) in the WTO Public Forum. Furthermore, he felt that the call on was an effective way to communicate the views of the private sector to the WTO. He pointed out that despite the fact that the negotiations are directly handled by the sovereign national governments, it is imperative for the WTO to be cognizant of the views of the private sector. He encouraged similar initiatives to be carried out and agreed to fully support such regular interactions and visits of the private sector to the WTO for sharing views and communicating concerns to WTO officials. The call on with Mr. Lamy turned out to be a significant and successful effort by SCCI as the WTO officials are now vigilant about the mindset of the private sector in South Asia.



The President SCCI, Dasho Ugen Tsechup Dorji presents a souvenir to Pascal Lamy, DG WTO while delegates look on during the SCCI Delegation's call on Mr. Lamy at the WTO headquarters in Geneva, September 25, 2006



The participants of the SCCI Delegation after the call on Mr. Pascal Lamy in Geneva.
(from left to right):

J. P. Ghate, Deputy Director, WTC (India), Waqar Ahmad, Director, SAARC Chamber of Commerce and Industry, Vijay G. Kafantri, President of All India Association of Industries (India), Mohammed Younus Shaikh, Chairman, Al-Nazeer Nippon Chemicals (Pakistan), Tariq Sayeed, former President, FPCCI (Pakistan), Chaudhary Muhammad Saeed, President, FPCCI (Pakistan), Pascal Lamy, DG WTO, Dasho Ugen Tsechup Dorji, President, SCCI (Bhutan), Taugir Sultan Awwan, Chairman, Hajivay Group (Pakistan), Raees Ishaqyar, Chief Executive, NTP Cellulose (Pakistan), Epaz Rathore, Chartered Accountant, Hussain Rathore & Co. (Pakistan), Madan Chand Golshaha, Vice President, SCCI & Chairman, Golshaha Organization (Nepal), Babar Sattar, AJURIS, Advocate and Corporate Counsel (Pakistan)

Visit of Delegation to World Intellectual Property Organization (WIPO)

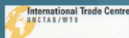
September 27, 2006



The delegation visited the World Intellectual Property Organization (WIPO) on September 27, 2006 at the WIPO headquarters. Mr. Geoffrey Yu, the Deputy Director General welcomed the delegation. An introduction to WIPO was presented as well as briefings on the use of IP for business success of the small and medium sized enterprises, IP valuation and asset management, and the role of WIPO in strengthening sub-regional cooperation in the field of intellectual property rights. The visit concluded with a tour of the WIPO headquarters. The visit was an important building block to conduct future activities with the assistance of WIPO to promote awareness of IP rights in the region.

Visit of Delegation to International Trade Centre (ITC)

September 26, 2006



The delegation also visited the International Trade Centre (ITC) on September 26, 2006 at the ITC Secretariat. The delegates were given a briefing of ITC and its functions. Moreover, senior officials at ITC informed the delegation about importance of business advocacy and the role of trade promotional organizations in global trade. The visit was an effective step for SCCI to liaise with ITC for joint activities in the future.

Networking Reception September 24, 2006



President SCCI Dasha Ugen Tsechup Dorji with Ambassador of Sri Lanka to WTO H.E. G. T. Senadhira, at reception hosted by SCCI, September 24, 2006 in Geneva



President SCCI Dasha Ugen Tsechup Dorji with Deputy Representative India Ravi Bangar and Ambassador of Sri Lanka to WTO H.E. G. T. Senadhira, at reception hosted by SCCI, September 24, 2006 in Geneva



Deputy Representative Pakistan Zafer Qadir with Ambassador of Bangladesh in Geneva, H.E. Taufiq Ali, at reception hosted by SCCI, September 24, 2006 in Geneva



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