

**Sub-Committee on Least-Developed Countries
Thirty-Second Session**

NOTE ON THE MEETING OF 24 JANUARY 2003

Chair: Ambassador Johan Molander (Sweden)

A. ADOPTION OF AGENDA

1. The Sub-Committee adopted the proposed agenda contained in document WTO/AIR/2006.

B. WTO WORK PROGRAMME FOR LEAST-DEVELOPED COUNTRIES

2. The Chairman recalled that the WTO Work Programme for LDCs, WT/COMTD/LDC/11, had been adopted by the Sub-Committee on 12 February 2002. He noted that in 2002, progress had been made in the implementation of all the elements of the Work Programme. In accordance with the mandate contained in paragraph 43 of the Doha Ministerial Declaration, an interim progress report, WT/GC/W/485/Rev.1, on "all issues affecting LDCs", was presented by the Director-General, to the General Council in December 2002.¹ This interim report would be followed up by a full report to the Cancun Ministerial Meeting. He urged Members to build on the existing work, so that further progress in the implementation of the WTO Work Programme for LDCs could be reported. As had been past practice, Members had prioritised and focused on a few elements of the Work Programme at each session of the Sub-Committee. This session was focussed on (i) Accession of LDCs; (ii) Trade-Related Technical Assistance and Capacity Building Initiatives for LDCs; and (iii) Mainstreaming, as appropriate, into the WTO's work, the trade-related elements of the LDC-III Programme of Action, as relevant to the WTO's mandate.

(i) Accession of Least-Developed Countries

3. The Chairman noted that to facilitate and accelerate negotiations with acceding LDCs, the Sub-Committee, in fulfilment of the mandate contained in paragraph 42 of the Doha Declaration and paragraph 18(iii) of the LDC Work Programme, had forwarded a draft Decision to the General Council (WT/COMTD/LDC/12). He reported that the draft Decision was adopted by the General Council on 10 December 2002. The Guidelines on LDCs' accession as adopted had been circulated as document WT/L/508. Nine LDCs were in the process of accession – and Ethiopia an Observer had recently announced its intention to commence its accession proceedings under Article XII of the WTO Agreement. In welcoming the adoption of the Guidelines on LDCs' accession, Members had also stressed on the need for regular monitoring and follow-up actions. To put these principles to practice was essential. Paragraph 2 of the Guidelines called for regular monitoring in the Sub-Committee. He sought to initiate some exchange of views on how best the implementation of these guidelines could be kept under review in the Sub-Committee.

4. He said that the integration of LDCs into the rules-based multilateral trading system would be strengthened with their WTO Membership. The Working Parties for some LDCs' accessions had made good progress, such as in the case of Cambodia and Nepal. It was important to build on the progress made and see some accessions through to completion before the next Ministerial Meeting.

¹ WT/GC/M/77

As indicated in the Guidelines a number of measures could be taken to facilitate LDCs' accessions. The Sub-Committee could be a forum for acceding countries and their development partners to share experiences and announce any new and additional measures taken. Targeted and coordinated technical assistance to LDCs could also be stepped up and reported. He recalled that in July 2002, there had been a Seminar on Accessions held back-to-back with the Sub-Committee on Least-Developed Countries. Some Working Party Chairpersons had attended the Seminar. He suggested that there be some forum for further discussion on the practical implementation of the Guidelines. Chairpersons of a few LDC accession Working Parties could be invited to the next or future meetings of the Sub-Committee to report on their experiences. Having shared some preliminary views, he requested Members to provide some guidance on this subject.

5. The Ambassador of Bangladesh on behalf of the LDCs expressed appreciation to the Chairman for his contribution in developing the guidelines for accession, adopted in December 2002. The Membership needed to adhere to these guidelines with their full and faithful implementation in negotiations with acceding LDCs. He drew attention to paragraph 42 of the Doha Declaration where Ministers agreed to facilitate and accelerate negotiations with acceding LDCs. Ministers also stated that accession of LDCs was a priority for the Membership. Accession to the WTO was not an end in itself but was a key element in the pursuit of national development policy objectives of acceding LDCs. WTO Members had to take account of the LDCs' development needs in seeking concessions and commitments in the accession negotiations.

6. He stated that document WT/ACC/11/Rev.2 provided an account of the accession status of each country that had applied for WTO membership. There were nine LDCs in the process of accession, and Ethiopia would now be added. Some LDCs, such as Nepal and Cambodia, were at advanced stages of accession. However, looking at the tables, it was apparent that LDCs required technical assistance. He hoped that targeted technical assistance and capacity building programmes would be provided to acceding LDCs so that they could comply with their WTO rights and obligations, and integrate into the multilateral trading system. Not a single LDC had been able to accede to WTO since 1995, and only a few LDC had reached an advanced stage in their accession negotiations. This demonstrated the need for strong political commitment from the entire membership to enable acceding LDCs integration into the multilateral trading system. He hoped that the Sub-Committee would continue to monitor and review the implementation of the guidelines. He welcomed the proposal to invite Chairs of the Working Parties to the Sub-Committee to brief Members on the progress made in accession.

7. The representative of the European Communities said that they were committed to the Decision adopted by the General Council in December 2002. His delegation supported the proposal to invite LDCs' accession Working Party Chairs to the Sub-Committee as it would improve the exchange of information between these bodies. There were a few promising candidates, Cambodia and Nepal, as well as other LDCs that had advanced their accession negotiations. There was a need to speed up the accession process and intensify the work with acceding LDCs.

8. The representative of United States looked forward to the work ahead in implementing the guidelines. Her delegation attached importance to ensuring that accessions were conducted effectively and expeditiously. Progress would be made with due regard to the substantive issues involved. There was need to ensure the contribution that WTO membership could have in integrating LDCs into the global economy and in facilitating domestic policy reforms in these countries. It would be useful to regularly review the guidelines in the Sub-Committee. Her delegation could support a standing agenda item on this issue. The proposal of inviting Chairs of accession Working Parties to the Sub-Committee was also supported with a view to providing information. This would be a dialogue that could better inform the discussion. The review by the Sub-Committee could help identify problems in implementing the guidelines. There was also scope for identifying technical assistance needs. The United States was providing substantial assistance to acceding countries.

9. The Ambassador of Cambodia expressed appreciation to the Chairman for his role in the approval of the guidelines in the General Council. It was now incumbent on Members to use the guidelines and give serious consideration to accelerate the accession of LDCs. This was essential for the reputation of the WTO and for the benefit of LDCs themselves. This would also prove to be real implementation of the Doha Ministerial mandate. Cambodia was finalising replies and clarifications for what it was hoped would be its last Working Party to be tentatively scheduled at the end of March or early April 2003. He said that they were on the right track for Cancun and called on all Members to effectively support Cambodia's efforts.

10. The representative of Japan thanked the Chairman for his efforts in the adoption of the guidelines. LDCs were working hard to conclude their accession negotiations. It was hoped that some would complete this work before Cancun. Japan attached importance to the accession of LDCs and would support inviting Chairs of Working Parties to the Sub-Committee to exchange views on progress made. He also supported the proposal to keep "Accession of LDCs" as a standing item on the agenda of the Sub-Committee. Finally, he mentioned that a Japanese negotiating team was in Cambodia to negotiate their accession package. This was in line with the LDC accession guidelines which called on WTO Members to hold bilateral negotiations in the acceding LDC if so requested. He called on Members to build on best practices and share experiences in the Sub-Committee.

11. The Ambassador of Haiti congratulated the Chair for his efforts in the adoption of the guidelines. He said that technical assistance was important for acceding LDCs as reflected in the guidelines. The Sub-Committee would need to monitor such assistance if acceding LDCs were to successfully integrate into the WTO. To date no LDC had acceded. There was therefore need for concrete results in this area. He hoped that by Cancun, a number of LDCs would have acceded to the WTO.

12. The representative of Nepal associated his delegation with the statement made by Bangladesh on behalf of LDCs and thanked the Chair for his efforts in the adoption of the guidelines. He looked forward to the full implementation of the guidelines. Preparations were underway in Nepal to move the accession process forward and a meeting of the Working Party was planned in the near future. Nepal expressed appreciation to its development partners for a series of good bilateral meetings. He hoped that Nepal would conclude its accession to the WTO by the Cancun Ministerial.

13. The representative of Mauritania expressed his delegation's support to the statement made by Bangladesh on behalf of LDCs. He thanked the Chairman and all delegations involved for their efforts in the adoption of the guidelines and hoped that it would lead to concrete progress in the accession of LDCs to the WTO. His delegation supported the proposal to invite Chairs of Working Parties to inform the Sub-Committee of developments.

14. The representative of Senegal associated his delegation with the statement made by Bangladesh on behalf of LDCs. The guidelines were welcomed and it was hoped that it would lead to the accession of some LDCs by the Cancun Ministerial Meeting. Technical assistance was needed to assist LDCs implement WTO rules. His delegation supported the proposal to invite Chairs of Working Parties to the Sub-Committee.

15. The Chairman thanked Members of the Sub-Committee for their interventions and in summing up said that: (a) accession of LDCs would be kept as a standing item on the agenda of the Sub-Committee; (b) Chairs of LDCs' Accession Working Parties would be invited to the Sub-Committee for an exchange of views; and (c) Implementation of the guidelines highlighted the importance of targeted technical assistance. In this respect, there was a trade capacity-building database managed by the WTO and OECD on behalf of bilateral donors and agencies. Assistance for accession to the WTO was a key part of the database and he requested the Secretariat to report on assistance for accessions from the database.

(ii) *Trade-Related Technical Assistance and Capacity Building Initiatives for LDCs*

16. The Chairman stated that the Doha Ministerial Declaration had given due emphasis to technical cooperation and priority to the delivery of technical assistance to LDCs. This priority to LDCs had been reflected in the delivery of technical assistance under the WTO Secretariat Annual Technical Assistance Plans and through the Integrated Framework (IF). In accordance with the mandate contained in paragraphs 41 and 43 of the Doha Ministerial Declaration, interim progress reports, documents WT/GC/W/484 and 485/Rev.1, were presented by the Director-General, to the General Council in December 2002. Full reports would be made to the Cancun Ministerial and further progress made under the IF would be elaborated upon in these reports. The LDC Work Programme recognised that in monitoring the IF, the Sub-Committee would be guided by the work in other bodies, namely: the IF Steering Committee (IFSC) and the IF Working Group (IFWG). The IFWG and the IFSC had met at the WTO on 16 and 17 January 2003, respectively. He invited Ambassador Iverson (Denmark), Chair of the IFSC, to brief Members on the IFSC meeting.

17. Ambassador Iverson (Denmark) said that the Sixth Meeting of the IFSC was held on 17 January 2003. The IF was working quite well. Twenty-nine LDCs were either already involved or were seeking to be engaged in the IF process. The first set of Diagnostic Trade Integration Studies (DTIS) had been made prepared and a few Round Tables had been held. Lead donors had also been identified that were prepared to assist LDCs in the ongoing process. Efforts made were beginning to show results. There were, however, no benchmarks or end goals as the IF was a process that would assist LDCs mainstream trade into their development goals. It was important to sustain the process and ensure ownership among LDCs themselves.

18. He said that in noting the progress to date, there was also awareness of areas for improvement. Some of the Diagnostic Trade Integration Studies had not been tailored to the period following the Round Table. Sustaining the process was needed to ensure that interest in trade was broadened among the top decision-making authorities in LDCs. Some mechanisms were needed to generate awareness. The World Bank had also underscored the necessity for some follow-up projects. There had been discussion in the IFSC and IFWG on the means for financing awareness generation and follow-up projects. Some consideration had been given to the issue of expanding Window II of the IF Trust Fund (ITTF) for this purpose. The ITTF had received strong support and contributions from donors. The IF was now in the next stage and with the mainstreaming of trade it was expected that financing would take place through the normal channels of the UNDP Roundtables and World Bank Consultative Group Meetings. He reported the decision taken by the IFSC to complete a mid-term evaluation of the IF pilot scheme before the Cancun Ministerial Meeting. There had been discussions among agencies, donors and the LDCs on the Terms of Reference for this evaluation. The IFWG had reported on agreed Terms of Reference which the IFSC was considering.

19. The Ambassador of Bangladesh on behalf of the LDCs thanked Ambassador Iverson for the update on the IF. At Doha, Ministers had endorsed the IF as a viable model for LDCs' trade development. The IF was viewed as an effective means of assisting the LDCs integrate into the multilateral trading system. For this, the IF needed to be a mechanism to also effectively address supply side constraints of LDCs and to build institutional capacity. In paragraph 43 of the Doha Declaration, IF core agencies were urged by Ministers to explore the enhancement of the IF with a view to addressing the supply side constraints of LDCs. He said that the current thrust of IF, seemed to be confined to the preparation of Diagnostic Trade Integration Studies (DTIS). The DTIS helped in the identification of constraints. However, what was also required was the execution of specific programmes to overcome identified constraints. The follow-up to the DTIS had become subject to the provision of additional resources. Extending the IF pilot scheme without sufficient resources would not bring the desired results for LDCs. If the IF remained a programme for Diagnostic Studies only, without any concrete outcome at its end, its purpose would be defeated. There would not be the supply side response that was a fundamental element of the IF. Creating the institutional structure to

promote trade was vital. LDCs could gain from trade only if they had products to trade. Targeted programmes to develop trade were needed.

20. He stated that there had been an attempt to link the IF programme with PRSPs. At the last IFSC meeting, the representative of the World Bank, however, had acknowledged that the IF and PRSP were two different processes. The PRSP was a country-driven process, while the IF may not be. It was difficult to develop a conceptual linkage between the two. This linkage needed to be revisited. The effectiveness of the IF scheme needed to be examined with a view to its improvement. He said that the evaluation of the IF was critical. LDC delegations wished to constructively engage in the evaluation process. LDCs required more time to respond to the documents prepared for the evaluation. He said that LDCs were aware of the deadlines, and would endeavour to stick to them.

21. The Ambassador of Zambia associated his delegation with the statement made by Bangladesh on behalf of LDCs. He thanked the Chairman of the IFSC for his report. The IF was identified by Ministers at Doha as a viable model for the delivery of technical assistance to LDCs. While interest in the IF was increasing there were a number of issues that required closer attention. The objectives of the IF needed to be adhered to. In the revamped IF the objectives included: (i) the use of the IF as a mechanism to mainstream trade into development plans; and (ii) the use of the IF as a mechanism to deliver trade-related technical assistance. Resources for follow-up activities and projects identified by the DTIS had been inadequate. Discussions had begun on the use of Window II of the IFTF for this purpose. He hoped that the funding issue would be addressed and those LDCs that had identified select projects would get the resources needed to implement them. On the broader issue of technical assistance and capacity building, the Doha mandate recognised the importance of supply-side capacity building for LDCs. This issue still needed to be addressed as the IF had not really delivered. He said that a progress report on the implementation of technical assistance including through the IF was mandated in paragraphs 41 and 43 of the Doha Ministerial Declaration. This report needed to also include assistance to address supply-side constraints. The IF evaluation would provide some inputs for the report. He said that LDCs were reviewing the terms of reference of the IF evaluation and would provide comments shortly.

22. The Ambassador of Haiti expressed his delegation's support to the statement made by Bangladesh on behalf of LDCs and thanked the Chairman of the IFSC for his report. The IF evaluation was important. It would enable an assessment of the work ahead for the fuller integration of LDCs. It would also allow for further improvements in light of the experience. The terms of reference for the evaluation, however, needed to be sent to Capitals and had to be made available in the WTO working languages. This would allow for reactions from agencies, LDCs and donors. He said that for LDCs to take the driver's seat, the terms of reference for the IF evaluation needed to take their reactions into account. On the issue of addressing supply-side constraints and supporting LDCs' export diversification it was not clear what mechanisms were in place to deal with these concerns. The WTO was not in a position to tackle these issues and so other organisations had to fill this shortfall. It would be a mistake to assume that the IF could address all these issues.

23. The representative of Mauritania thanked the Chairman of the IFSC for his statement and associated his delegation with the statements made by Bangladesh and Zambia on behalf of LDCs. As reported there had been some progress in the implementation of the IF. Mauritania had experienced new dynamism as a pilot country in the IF. However, some subjects such as mainstreaming trade into development policy and inter-ministerial coordination at country level required further examination. The issue of support for export diversification was also important. The level of resources available to the IF as well as the linkage between the PRSPs and the IF also needed to be analysed. These indicators would be useful in determining the results of the IF process. Mauritania expressed its qualified support to the IF that was now yielding modest results.

24. The representative of Uganda supported the statement made by Bangladesh on behalf of the LDCs. There was a need to address supply-side constraints faced by LDCs. A number of initiatives

had been taken by developed countries to open their markets for LDC exports. But LDCs share of world trade had not increased because of the supply-side constraints. The IF with its core agencies the World Bank, IMF, UNDP, UNCTAD, ITC and the WTO was well placed to address these constraints. Together with the support of other development partners the IF could deliver more than the DTIS and the mainstreaming of trade into development policy.

25. The representative of Senegal said that the IF was of great importance to LDCs. His country was a part of the pilot programme. The DTIS had now been completed in Senegal. He thanked the Secretariat for its work in this activity. The pilot programme was following its course. Ensuring the availability of adequate resources was now critical. Activities identified for follow-up in the DTIS needed to be financially supported. Strengthening the trade sector in LDCs was important.

26. The representative of the International Monetary Fund stated that the IMF had been an active participant in the IF process. The fundamental objective of the IF and its trade integration studies was to address the supply-side constraints of LDCs. Attempts had been made to link the IF with PRSPs. These linkages were hard to develop. But he believed that the fundamental objective of the IF was the mainstreaming of trade into the development and poverty reduction plans of LDCs. The PRSPs embodied such plans. Though it had been difficult and complex process, the PRSPs were being developed by the countries themselves on the basis of a broad participatory process. For the IMF, the IF was an important instrument if it were used for the mainstreaming of trade into development plans. If the IF and in particular the trade integration studies were left outside the context of the PRSPs their implementation in a meaningful way could not be expected. The IF was at a critical juncture and he urged Members to follow the goals of the initiative.

27. The Ambassador of Bangladesh said that the IF had been launched in 1997 and revamped in 2001. Pending the IF evaluation, paragraph 43 of the Doha Ministerial Declaration guided and set the objectives for the work on the IF.

28. The representative of the United States recognised that the IF was a process that had a long history. It had been a struggle to ensure that the IF worked more effectively. Her delegation was pleased with the recent progress made. It was hoped the DTIS would be completed for the 11 additional LDCs by the first quarter of 2003. Her delegation had been actively engaged in addressing the issue of effective and quick follow-up. There had not yet been a solution based on the IFTF Window II approach. The United States attached importance to the IF evaluation. There was scope to learn and build on past experience. Better cooperation among the donor community and the LDC beneficiary countries was also needed. The LDCs themselves were expected to manage the process. There was also some scope to expand the lead donor role. Her delegation had recently taken on the role of lead donor in Mozambique and was working actively with its aid missions in other LDCs.

29. The representative of the Secretariat as Chair of the Integrated Framework Working Group (IFWG) said that the implementation of the IF was encouraging. Satisfactory progress had been made in many LDCs. A dynamic of positive progress and realism had been injected to the process. But there was also scope for improvement with regard to establishing a predictable and systematic follow-up process in the post-DTIS stage. Results achieved in the post-DTIS stage in Cambodia and to an extent in Mauritania, had been encouraging. There were many components to be established in the post-DTIS phase. The IFWG discussions pointed to areas for possible further work:

- (a) Revising the terms of reference of Window-II and significantly increasing the resources in this window of the IFTF. Donors were tabling ideas for discussion on this element. Proposals focussed on human resource development and institutional capacity building in the post-DTIS stage.

- (b) The main funding for post-DTIS activities would not come from the IFTF but by the process of mainstreaming trade into development plans and PRSPs. Physical infrastructure and supply side constraints could only be addressed in this context.
- (c) The role of the lead-facilitator needed to be better defined. He said that to address this issue the donors were expected to circulate a paper shortly.
- (d) A calendar to properly synchronise DTIS findings and the IF with the PRSP cycle or UNDP Roundtables was needed. This was a shared responsibility of the agencies and the beneficiary LDC which had worked well in Cambodia.
- (e) Agencies also had potential for better refocusing their programmes to centre on the IF. For example, the World Bank had created a new Trade Department and raised the profile of the IF in its operations. Work was underway in many agencies but there were budget limitations in some organisations.
- (f) The IF evaluation was first discussed at the IFWG in October 2002. There was some exchange of views on the terms of reference for the IF evaluation with Zambia and Nepal, the LDC representatives in the IFWG at the time. The IF evaluation had been discussed again at the last IFWG meeting. LDCs had requested further time to consider the terms of reference for the evaluation. He said that the Chair of the IFSC would shortly be circulating a notice reconvening a meeting of the Steering Committee to revisit the IF evaluation terms of reference. Efforts were being made to have the document translated in the WTO working languages.

30. He welcomed the increased participation of LDCs in the work of the IFWG and IFSC. Written submissions and interventions were being made by LDCs in the IFWG. At the last IFSC, 19 LDCs had intervened and expressed their satisfaction with the evolution of the IF. He stated that the next IF Heads of Agency meeting was scheduled on 10 July 2003. The IMF had offered to host the meeting. The Director-General would consult with the LDC Consultative Group on the agenda for the meeting. The donor and LDC representatives of the IFWG would be invited to participate at the Ministerial level together with the Heads of Agencies.

31. The Ambassador of Haiti said that it was important for LDCs to be involved in the IF evaluation. The terms of reference were not properly addressed to the LDCs. He requested that the document be transmitted in WTO languages. LDCs could then refer the document to Capital and make a contribution prior to the adoption of the terms of reference.

32. The Ambassador of Denmark as Chairman of the IFSC said that caution was needed in the expectations from the IF. There were many supply-side constraints in LDCs. It would not be possible to guarantee that the IF process would address all these constraints. However, efforts were being made. There was also need to engage the private sector and other local stakeholders in the process and mainstream trade into the PRSPs. He viewed the IF as country-driven with lead-donors only assuming a facilitating role. The issue of the IF evaluation had so far been mainly considered in the IFWG. LDC representatives in the IFWG had participated in the drafting of the terms of reference. He acknowledged that there had been some constraints in issuing the document in all working languages and urged delegations to show understanding.

33. The Chairman proposed that the Sub-Committee took note of the statements made.

34. It was so agreed.

(iii) *Mainstreaming, as appropriate, into the WTO's work, the trade-related elements of the LDC-III Programme of Action, as relevant to the WTO's mandate*

35. The Chairman recalled that this agenda item was last raised by Zambia at the Twenty-ninth Session of the Sub-Committee held in July 2002. At that meeting, Zambia, on behalf of LDCs had undertaken to submit a paper to guide discussions on this issue. The communication from Zambia, dated 20 December 2002, was contained in document WT/COMTD/LDC/W/29.

36. The Ambassador of Bangladesh said that the WTO Work Programme for LDCs, adopted by the Sub-Committee in February 2002, agreed to mainstream into the WTO's work the trade-related elements of the LDC-III Programme of Action. Pursuant to this, Zambia, as the previous coordinator of LDCs, had submitted a communication on behalf of the LDC Group. The primary objective was to develop modalities to translate the trade-related elements of the Brussels Conference into the WTO's work. He hoped the Sub-Committee would consider the submission favourably and requested Zambia to introduce the document on behalf of LDCs.

37. The Ambassador of Zambia on behalf of the LDCs said that the submission proceeded from the fact that the trade-related elements of the LDC III Programme of Action were not binding commitments on WTO Members and hence lacked predictability in their implementation. LDCs considered that the current work of the Sub-Committee, leading up to Cancun, should be to identify ways to ensure that commitments made in the Programme of Action were clearly translated into the WTO rules. The final objective of this exercise should be to transform the trade-related elements of the Programme of Action into an integral and permanent part of the WTO rules and disciplines as binding contractual obligations. In this context, the submission made a proposal on the means to achieve this objective which would read as follows:

- "(i) In its annual report to the CTD, the Sub-Committee, after assessing the state of implementation of the objectives under the Commitment 5 of the Brussels Programme of Action, shall make recommendations to the General Council with regard to specific issues to be addressed, in the relevant negotiating bodies under the Doha Work Programme. The CTD shall submit these recommendations to the General Council, as appropriate;
- (ii) The General Council or the Ministerial Conference, in view of recommendations of the CTD, shall provide further guidance to the negotiating bodies under the Doha Work Programme. The Cancun Ministerial Conference could adopt the first decision;
- (iii) Issues identified by the Ministerial Conference or General Council for incorporation into the Doha Work Programme shall be treated as part of a single undertaking in the meaning of paragraph 47 of the Doha Ministerial Declaration."

38. He stated that this was the most effective way that Commitment 5 of LDC-III: "Enhancing the role of trade in development" could be translated into concrete and tangible actions to the benefit of LDCs. As for the method of work on this matter, he proposed to follow the pattern adopted in negotiating the General Council Decision on the Accession of LDCs, i.e. through informal consultations conducted by co-ordinators. The aim would be to prepare the agreed text for the consideration of Ministers at Cancun. He looked forward to positive engagement with all Members of the Sub-Committee on this matter.

39. The representative of Japan thanked Zambia for its proposal. He recalled that in adopting Commitment 5 of the Programme of Action at LDC-III, the wording was chosen with the understanding that it would not prejudice the outcome of the negotiations in the WTO. The LDC-III Conference was not the competent authority to negotiate the wording of WTO Agreements.

40. The representative of the United States shared the view that the WTO's primary role in the LDC-III Programme of Action was in the discussion of market access and WTO accessions. All Members could share in these endeavours and objectives. Zambia had rightly mentioned that the UN Declaration was not a binding obligation. It was up to WTO Members to discuss the most appropriate way to view the UN Declaration and the programme shaping WTO's work. Her delegation believed that the appropriate venue to discuss binding market access commitments was in the negotiations on Services, Agriculture and Non-Agricultural Market Access. The benefits and opportunities presented by the United States in its market access proposals should be examined. The United States supported the Doha mandate and acknowledged that the integration of Members into the multilateral trading system would involve the efforts of all Members. Zambia had presented ideas on reporting to the General Council and the Ministerial Conference. She, however, believed that the Sub-Committee needed to be guided by the mandate contained in paragraph 43 of the Doha Declaration. There was a lot of work ahead but the United States was committed to meeting the objectives set out in Doha.

41. The representative of the European Communities thanked Zambia for its presentation of the paper. He said that if countries in the UN context could subscribe to principles it was with the intention to implement them fully. His delegation was committed to implement these principles as evidenced in the Everything But Arms (EBA) initiative on market access. The European Communities was also contributing to the Doha Development Agenda Trust Fund and the IF. The spirit with which Commitment 5 was to be interpreted was important. Giving binding, legal implications to these commitments was however a matter that required further reflection. As suggested by the United States parts of Commitment 5 could be discussed in the different negotiating fora. The example of market access had been mentioned, there were also some provisions on services, RTAs, accession to the WTO and standard setting which could be examined in the relevant WTO bodies. He stated that these were preliminary comments and his delegation wished to reserve its right to revert to this item.

42. The Chairman said that the adoption of the WTO Work Programme for LDCs manifested what the proposal by the LDCs was supposed to achieve in concrete terms. There was a need to examine the relationship between paragraph 42-43 of the Doha Declaration and Commitment 5 of LDC-III which the Zambian proposal referred to. He would remain available to consult further on the proposal with coordinators or any interested delegations.

43. It was so agreed.

C. OTHER BUSINESS

44. The Chairman proposed that the 33rd Session of the Sub-Committee be convened on 28 April 2003.

45. It was so agreed.

46. In the absence of any other business, the meeting was adjourned.
