## WORLD TRADE

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## **ZIMBABWE**

<u>Statement by the Honourable Obert Mpofu</u> Minister of Industry and International Trade

On behalf of the Government and people of the Republic of Zimbabwe and indeed on my own behalf, allow me to join other speakers before me, in expressing my sincere thanks to our host, the Government and people of Hong Kong, China for the warm hospitality and excellent facilities put at our disposal since our arrival for this Conference. It is with such an environment that we remain encouraged and optimistic that our deliberations will be crowned with success.

As a Member of the WTO, and its predecessor the GATT since in 1948, we are committed to the multilateral trading system. We recognize the critical role international trade can play in promoting and shaping the economic development of our country and the eradication of poverty amongst our people. But at the same time, we stand guided by the fact that for us to enjoy our full share of benefits of the multilateral trading system, that trade needs to be fair, promptly and continuously addressing trade imbalances.

Agriculture is the most important sector of our economy. It has a telling and significant economic and social influence on all our population. We would like to appeal to all those with the ability to subsidize their farmers not to act without restraint as their actions are inflicting enormous damage to our economies, destabilizing markets through unfair competition, driving down world prices of our major agricultural exports, ruining the lives of tens of millions of peasants and frustrating development.

Market access and levelling the playing field on domestic support are key issues for unlocking the natural agricultural trade potential our developing economics are endowed with. In this regard, subsidies should not be allowed to have the effect of debilitating food security, livelihoods and welfare of our people. It is also critical that problems of commodity price decline facing many developing countries such as ours be addressed within the multilateral trading systems and with a sense of urgency.

Cotton is a cash crop on which depends the income of some 33 African countries and millions of farmers. We cannot overemphasize the necessity to remove expeditiously all forms of distorted subsidies, which have penalized Africans for decades and banished them to perennial emizeration. We urgently require an ambitious timeframe within which to remove these subsidies in order to save the livelihoods and dignity of the tens of millions of Africans affected by these subsidies.

Value addition is an important element of our industrial development policy through which we aim to improve the quality of life of our people and participate meaningfully in international trade. We therefore, do not wish to be burdened by demands for opening up our markets for the industrial goods sector without ensuring that we meet our national industrialization policy objectives and

aspirations, first. Only gradual liberalization will enable us to adjust and foster gains in productivity and increased competitiveness for our economies.

Long-standing non-reciprocal preferences have long been recognized as playing an important developmental role in our economies. We still need these preferences to remain in place so as to allow us policy space we so desire to develop our nascent industries. There should, therefore, be no rush to eliminate these preferences until satisfactory means to mitigate the negative effects of their removal have been identified and put in place.

Services have emerged as one of the most important sectors in the modern economy. It is the right of developing countries to reap maximum benefits from this economic field. We are at one with those who do not wish developing countries to be stampeded into opening this sector before their own people have developed sufficient and effective capacities to compete.

As Members of the developing countries community we are mindful of the necessity of the multilateral trading system to pay particular heed to the needs of least developed countries. Only a fair multilateral trading system can deliver benefits for all.

Finally, it is our hope that we shall all remain faithful to the spirit and ambition of the Doha Development Agenda established in 2001.