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DAR ES SALAAM DECLARATION¹

The following communication dated 20 October 2009, is being circulated at the request of the Delegation of Tanzania.

We, the Ministers of the Least-Developed Countries (LDCs) responsible for trade, meeting in Dar es Salaam, Tanzania with a view to advancing and promoting the interests of LDCs in the Doha Development Round of multilateral trade negotiations at the World Trade Organization (WTO);

Recalling the LDC Ministers' Declarations adopted at Zanzibar in 2001, Dhaka in 2003, Dakar in 2004, Livingstone in 2005 and Maseru in 2008;

Welcoming the upcoming Seventh Session of the WTO Ministerial Conference;

Acknowledging the contribution of trade to the economic development and growth of the economies of LDCs;

Recognising the devastating effects of the current global economic and financial crisis, particularly on the economies of the LDCs;

Desiring to secure the meaningful and effective integration of LDCs into the multilateral trading system;

Welcoming the commitment by Members to exempt LDCs from undertaking any reduction commitments in Agriculture and Non-Agricultural Market Access (NAMA), and from undertaking any commitments under trade in Services;

Underlining the important role played by international trade as a means for regional integration and for the integration of our countries in the global trade;

Recognizing the difficulties associated with the realization of national development strategies of LDCs through trade, and in this regard underlining the importance of Aid for Trade initiative in

¹ As adopted by the Ministerial Meeting on 15 October 2009.

trade-related capacity building overcoming supply-side constraints and infrastructure development and facilitating integration of LDC economies in regional and global trade;

Appreciating the recent operationalisation and the positive efforts of the Enhanced Integrated Framework (EIF) as a programme intended to assist LDCs with mainstreaming of trade policy into national development strategies and their integration in the multilateral trading system by means of increased and predictable financial resources, ensuring national ownership and enhancing IF governance;

Welcoming the statement that came out of the Round Table meeting, held in Phnom Penh, Kingdom of Cambodia, 28-30 September 2009, on the accession of LDCs that are not Members of the WTO;

Reaffirming the need to conduct the WTO negotiations in a transparent and all-inclusive manner and the need to maintain the centrality of development outcomes from the Doha Development Round;

Recalling the commitment of Members of the WTO to place the needs and concerns of LDCs at the heart of the Doha Development Agenda (DDA) negotiations;

Having reviewed the progress made in the DDA negotiations towards this goal; and

Noting that, while progress has been made in certain areas, important common negotiating goals of the LDCs in the DDA have not been attained fully.

Call upon the WTO Members to agree on the following:

Operationalise the core principle of Special and Differential Treatment (S&DT) and the development dimension of the Doha Round of negotiations by granting all LDCs more preferential treatment than non-LDCs.

Address the issues of concern to LDCs on a priority basis and to have an "early harvest" on (i) the implementation of the Decision 36 of the Annex F of the Hong Kong WTO Ministerial Declaration; (ii) a waiver decision on preferential and more favourable treatment to services and services suppliers of LDCs; and (iii) an ambitious, expeditious and specific outcome for cotton trade-related aspects, in particular the elimination of trade-distorting domestic support measures and export subsidies, and the granting of duty-free and quota-free (DFQF) market access for cotton and cotton by-products originating from LDCs.

Duty-free and Quota-free Market Access and Rules of Origin

1. To fully implement, by early 2010, the decision on DFQF market access for all products originating from all LDCs, as contained in Annex F of the Hong Kong Ministerial Declaration, accorded through Agricultural and Non-Agricultural Market Access (NAMA) modalities, with a view to ensuring commercially meaningful market access for at least 97 per cent of products originating from LDCs, defined at the tariff-line level;
2. Developed-country Members shall inform the WTO Membership of the products that will be covered under the commitment to provide DFQF for at least 97 per cent of products originating from all LDCs, defined at the tariff-line level, by the time of the draft schedules;

3. A commitment by developed-country Members facing difficulties to provide DFQF market access on a lasting basis for all products originating from all LDCs to grant, in a progressive manner, DFQF market access for the remaining 3 per cent of products originating in all LDCs not later than the end of the implementation period;
4. Specification by each developed country, on a product-by-product basis, of the dates on which it will grant DFQF market access for the remaining 3 per cent of products originating in all LDCs by the time Members submit their comprehensive draft schedules of concessions;
5. A commitment by a larger number of developing countries declaring themselves in a position to do so to progressively implement beyond current market access levels and to provide DFQF market access to products originating from all LDCs starting at an earlier date, but not later than the end of the implementation period;
6. An agreement by Members to base their rules of origin for products originating in LDCs on the model Rules of Origin in TN/CTD/W/30, TN/MA/W/74 and TN/AG/GEN/20; coupled with immediate meetings with preference-granting countries, with the assistance of relevant international organizations, to determine the technical details of the rules of origin;
7. Define and agree on details of monitoring procedures for DFQF market access to all products from all LDCs, as well as on the implementation of simple and transparent rules of origin for products originating in LDCs, no later than early 2010 in order to ensure that they are in place by the time of submission of schedules; to oversee implementation and effectiveness of the DFQF scheme of individual Members; and
8. Operationalisation of commitment by development partners and the relevant international institutions to provide additional financial and technical assistance through appropriate delivery mechanisms aimed at industrialisation and diversification of LDCs' economies, and to meet their implementation obligations, including fulfilling Sanitary and PhytoSanitary (SPS) and Technical Barriers to Trade (TBT) requirements, building capacity in standards and related infrastructure and assisting LDCs to manage their adjustment processes, including those necessary to face the results of Most Favoured Nation (MFN) multilateral trade liberalization.

Agriculture

9. Access to all S&DT provisions and exemption from any form of reduction commitments;
10. Ensure that LDCs' current applied tariff rates are not affected by commitments of non-LDC Members that have Common External Tariffs with LDCs;
11. Further strengthening green box disciplines and the design of appropriate and effective monitoring and surveillance mechanisms to avoid box shifting;
12. Ensure an agricultural Special Safeguard Mechanism (SSM) that allows LDCs to effectively address import surges and import price drops. The arrangement for LDCs shall be more flexible than for other Members and there shall be no ceiling level for LDCs to increase tariffs above pre-Doha bound rates if needed to address those concerns;
13. Review the December 2008 Draft Modalities on Agriculture to include provision on capacity building and technical assistance in order to assist LDCs to address challenges related to agricultural trade;

14. Commitments by development partners in the improvement of the monitoring of food aid transactions to avoid commercial displacement in the recipient countries while encouraging the purchase of local and regional products to promote the development of the local and regional agricultural sector;

15. In view of ensuring food security in LDCs , no non-LDC Member shall apply any export restriction on food items imported by any LDC;

16. Permitting the monetisation of non-emergency food aid only under the exceptional circumstances to be determined by recipient countries as provided for in paragraph 12 of Annex L of the December 2008 Draft Modalities on Agriculture; and

17. Establish suitable procedures for negotiations on the elimination of non-tariff barriers affecting commodities.

Cotton

18. Achieving, on an "early harvest" basis, an ambitious, expeditious and specific outcome for cotton trade-related aspects, in particular the elimination of trade-distorting domestic support measures and export subsidies, granting of DFQF market access for cotton and cotton by-products originating from the LDCs;

19. The urgent setting up, in the context of current global economic and financial crisis, of a "safety net" mechanism for cotton producing LDCs to address revenue losses as a result of declining prices in the international markets;

20. Implementing the commitment by WTO Members contained in the July Package and the Hong Kong Ministerial Declaration regarding the mobilisation of technical and financial assistance to ensure the coherence between the trade and development aspects; and

21. Continued support from all Members of the ongoing Director-General's consultative framework mechanism on cotton.

NAMA

22. Access to all S&DT provisions and exemption from any forms of reduction commitments, including sectorals;

23. LDCs will be the judge of the extent and level of bindings of their tariff lines;

24. To give practical effect to the agreement to eliminate all non-tariff barriers on products originating in LDCs through, *inter alia*, expeditious finalisation of the negotiations on the "Horizontal Mechanism";

25. Ensure that LDCs' current applied tariff rates are not affected by commitments of non-LDC Members that have Common External Tariffs with LDCs; and

26. Agreement not to impose any disciplines on export taxes, as these are legitimate tools for development.

Preference Erosion

27. An agreement to incorporate both trade and non-trade solutions in the Agriculture and NAMA modalities to address the erosion of preferences;

28. Any provision on the fullest liberalization of tropical and diversification products shall not harm the export interests of LDCs due to the erosion of preferences. Effective mechanisms should be established to mitigate any negative effects of the fullest liberalization of tropical and diversification products on LDCs;

29. An agreement by all Members to incorporate all the tariff lines contained in the list submitted by the LDCs in Document Job (07)/167, with a view to addressing the erosion of preferences on the LDCs in their major markets, namely the EC and the US, and to subject these tariff lines to a longer grace period in tariff cuts as proposed by LDCs; and

30. Ensure that the sectoral initiatives of the NAMA negotiations do not harm the export interests of LDCs. In this context, DFQF market access should be provided to LDCs in the products included in the sectoral initiatives from the start of the implementation period of the results of the DDA, and appropriate S&DT and technical assistance should be provided to overcome the supply-side constraints faced by the LDCs.

Services

31. An outcome in services consistent with the development objectives of the General Agreement on Trade in Services (GATS), 2001 Services Negotiating Guidelines and the Hong Kong Ministerial Declaration, including Annex C. Steps towards the completion of the negotiations should be consistent with these objectives;

32. Full and effective implementation of the modalities for the special treatment for LDCs in the negotiations on trade in services as contained in TN/S/13;

33. The assessments of individual LDCs and their services sectors to assist them in identifying the sectors and modes of supply that represent their development priorities, including their export interests;

34. An immediate decision granting a waiver from the MFN obligation in Article II of the GATS to permit secure and predictable preferential and more favourable treatment to services and service suppliers of all LDCs;

35. Give practical effect to the waiver through developed countries, and developing countries in a position to do so, granting preferential and more favourable treatment to services and service suppliers of all LDCs;

36. Commitments on market access and national treatment to LDCs, covered by the waiver decision, in all sectors and modes of supply of export interest to LDCs, in particular commitments on the temporary movement of persons supplying services (Mode 4) to developed and developing countries as identified by LDCs, before the conclusion of the Doha Development Round;

37. Preservation of the language on Domestic Regulation that exempts LDCs from applying future domestic regulation disciplines;

38. Provision of targeted and effective needs-based technical assistance and capacity building aimed at assisting in building LDCs' institutional framework and domestic regulation capacity,

including facilitating the establishment of technical standards and participation of LDCs in the relevant organizations; and

39. Commitments by WTO Members to ensure the strengthening of LDC domestic services supply capacity, efficiency, and export competitiveness in accordance with Article IV:1(a) of the GATS and paragraph 8 of the LDC Modalities (TN/S/13). Reporting by WTO Members of measures taken towards that objective.

Trade Facilitation

40. A commitment to complete negotiations on an agreement on trade facilitation in parallel with the completion of negotiations on other issues of particular concern to LDCs, and on the understanding that the agreement on trade facilitation will be completed as part of the Doha Round single undertaking;

41. Recognition by Members that, in negotiating and completing such an agreement, LDCs are the most vulnerable group in the WTO and should, therefore, be given maximum flexibilities across all issues regarding technical assistance and capacity building and S&DT;

42. Agree that the commitments undertaken by LDCs depend on the acquisition by LDCs of the necessary capacity to implement such commitments;

43. Follow-up to the self-assessments and priority needs exercise whereby LDCs are provided assistance to determine the costs implications of proposed trade facilitation measures;

44. Adequate financial and technical assistance as well as capacity building for the development of required infrastructure in LDCs, through a coordinated and sustained flow of funding that also addresses the cost of the implementation of the proposed trade facilitation measures affecting LDCs; and

45. In resolving disputes arising under such agreement, WTO Members shall commit themselves to exercise due restraint on bringing matters involving LDCs before the DSU.

Trade-Related Intellectual Property Rights (TRIPS)

46. Agreement to amend the TRIPS Agreement to include a mandatory requirement for the disclosure of the country of origin of genetic resources, and/or associated traditional knowledge for which a definition will be agreed in patent applications, and to include a requirement that patent applications will not be processed without completion of the disclosure requirement;

47. An agreement to define Prior Informed Consent and Access and Benefit Sharing;

48. Effective implementation of the obligation by developed Members to provide incentives to enterprises and institutions within their territories that achieve effective technology transfer to LDCs in accordance with Article 66.2 of the TRIPS Agreement;

49. Establishment of a monitoring mechanism to review the situations where enterprises and institutions within developed WTO Members have provided technology transfer to LDCs as a result of such incentives and their effectiveness at creating a viable technological base in the LDC;

50. Implement the TRIPS Agreement in a manner that promotes incentives for Research & Development in environment-friendly technologies and their transfer to LDCs; and

51. Provide financial and technical assistance to all LDCs for their needs assessment and to develop their capacity in implementing TRIPS Agreement obligations.

Fisheries Subsidies

52. Endorse Article III.1 of the November 2007 Draft text, prepared by the WTO Chair of Negotiating Group on Rules, which provides LDCs with a full and unconditional carve-out from the prohibition on fisheries subsidies; and

53. Ensure that any technical assistance made available to developing countries, for improving fisheries management systems, is extended to all LDCs as well.

Rules

54. Technical assistance and capacity building to enable LDCs to use Anti-Dumping and Countervailing Measures where the conditions for their application exist;

55. The inclusion of S&DT in Article XXIV of the GATT 1994 for the benefit of LDCs, in particular with respect to transition periods and the substantially all trade requirements;

56. Inclusion of special treatment for LDCs relating to, among others, the non-imposition of provisional measures on products of LDCs, mandatory acceptance of price-undertakings made by exporters from LDCs, and the acceptance of responses to questionnaires in any WTO language by LDC exporters in the December 2008 Draft Consolidated Chair's Text (TN/RL/W/236).

LDC Accessions to the WTO

57. Reaffirm the need for the adoption of a binding mechanism to fast-track the accession of LDCs, to avoid raising non-trade concerns, and to faithfully facilitate and accelerate the negotiations for those LDCs that are in the process of accession to the WTO;

58. Fully support the statement of 29 September 2009 made in the Phnom Penh Accession Round Table, as contained in WTO document WT/MIN(09)/1, for the urgent and effective implementation of the 2002 WTO General Council Decision on the accession of LDCs;

59. Take immediate action on the basis of the essential steps recommended by the Phnom Penh Accession Round Table, and in particular, the precise interpretation of the 2002 WTO General Council Decision on the accession of LDCs and its four themes (i.e. Market Access, WTO Rules, Process and Trade-Related Technical Assistance and Capacity Building); and

60. Place the accession of LDCs on the agenda of the 7th WTO Ministerial Conference, as requested by the LDC Group in Geneva on 3 June 2009, with a view to complete the process of improving the 2002 WTO General Council Decision on the accession of LDCs and present its outcome to the Conference for final adoption.

Trade and Environment

61. LDCs should be exempted from any commitment to reduce or eliminate tariff and non-tariff barriers on environmental goods or services;

62. LDCs should be exempted from the obligation of patent protection of environmental goods and services for a period of at least ten years from the date of implementation;

63. Outcome of the WTO environmental negotiations must take into account the capacity constraints of the LDCs and shall not undermine their competitive advantage;

64. Goods, prohibited for use on environmental ground in the producing country, should be prohibited for export; and

65. Environmental technology, machinery and equipments, goods and services must be made available to LDCs as grants.

Enhanced Integrated Framework (EIF)

66. The guiding principles of all EIF projects shall be national ownership by LDCs, embedded in effective partnerships, in order to maximise the development benefits of the programme;

67. Development partners shall not detract from their commitment towards increased additional and predictable financial resources in order to ensure that LDCs are able to respond to particular difficulties and challenges imposed by the current economic and financial crisis;

68. Development partners should fulfil their pledges and provide additional resources for the EIF. In this context, urge other development partners who have not yet contributed to the EIF to provide resources for effective implementation of the EIF;

69. Holding of an EIF event in the sidelines of the 7th WTO Ministerial Conference in order to set the stage for the second pledging conference in 2010;

70. Strengthen the effectiveness of the EIF through, *inter alia*, expeditious approval of projects in order to facilitate building supply-side capacity, technology and trade-related infrastructure that would support diversification of LDCs' production and export base; and

71. Urge remaining implementing agencies to expedite their signing of the partnership agreement that will enable the Trust Fund Manager to perform fiduciary functions satisfactorily.

Aid for Trade

72. Development partners to provide additional and predictable resources, over and above the EIF resources, especially in the wake of the current global economic and financial crisis that has placed LDCs in greater need of Aid for Trade than ever before;

73. Accord priority to the Aid for Trade projects of the LDCs and ensure that Aid for Trade will be available for projects identified by the recipient governments, particularly in the areas of trade development, trade-related infrastructure, building productive capacity and trade-related adjustment; and

74. Development partners should expeditiously move from commitment to implementation, following the conclusion of the Second Global Review of Aid for Trade.

We further call for:

75. Full implementation of the commitments made in the Marrakesh Declaration and Ministerial Decisions in favour of LDCs, as well as the Ministerial Decisions on Measures concerning the Possible Negative Effects of the Reform Programme on LDCs and Net-Food Importing Developing Countries;

76. Provision of increased, sustained and targeted technical and financial assistance in favour of LDCs, consistent with Doha work programme, including continued delivery by WTO secretariat of specialized technical assistance and training activities;
77. Special consideration to be given in reduction commitments by developing countries that are in common external tariff arrangements with LDCs;
78. Efforts to ensure the coherence mandate between the WTO and International Financial Institutions in line with the rights and flexibilities that LDCs have obtained under the WTO, is put into full operation to support LDC development objectives;
79. Incorporate the development dimensions of the Doha Round into the forthcoming Fourth United Nations Conference on the LDCs in 2011;
80. Ensure on an urgent basis full and faithful implementation of the commitments contained in the G20 London communiqués in 2009, in support of low income countries and LDCs to overcome the adverse effects of the current global economic and financial crisis and to access support envisaged under stimulus packages of the G-20 member states; and
81. Agree that the LDCs who graduate continue to receive market access preferences and trade-related capacity building assistance to encourage their graduation and facilitate their smooth transition.

We express our appreciation to:

82. The People and the Government of The United Republic Tanzania for hosting this LDC Ministers meeting in Dar es Salaam;
83. Development partners, institutions, organisations and agencies who continue to support the efforts of LDCs to secure a trading system that takes their interests into account and those who have supported the LDCs in holding this meeting; and
84. The United Republic of Tanzania, as the Coordinator of the WTO LDCs Group, and mandate her to further pursue the issues contained in this Declaration and to present it to the WTO bodies and Ministerial Conferences.
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