

**AFRICAN UNION**

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**9<sup>TH</sup> AFRICAN UNION CONFERENCE OF**

**MINISTERS OF TRADE (CAMOT-9),**

**1<sup>ST</sup> - 5<sup>TH</sup> DECEMBER 2014**

**ADDIS ABEBA (ETHIOPIA)**

**AU/TD/CAMOT-9/WTO.DECL**

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**ADDIS ABABA DECLARATION ON WTO ISSUES**

## ADDIS ABABA DECLARATION ON WTO ISSUES

1. We, the Ministers of Trade of the Member States of the African Union;
2. Meeting in Addis Ababa on the 4th and 5th December 2014 at the occasion of the Ninth Ordinary Session of the AU Conference of Ministers of Trade with an objective to review the state of play of the WTO negotiations following the outcome of the 9th Ministerial Conference of the WTO;
3. **Recognizing** the unique mandate of the WTO as one of the key pillars of the global economic governance architecture;
4. **Recalling** the preamble of the Marrakesh Agreement Establishing the WTO, which inter alia, recognizes: a need for positive efforts aimed at ensuring that developing countries especially LDCs secure a share in growth in international trade commensurate with their economic and developmental needs and; the centrality of the principle of sustainable development;
5. **Underscoring** the primacy of the Doha Ministerial Declaration and the 2004 July package as the basis for conducting and concluding the DDA negotiations with a view to delivering economically meaningful developmental outcomes;
6. **Concerned** by the lack of commitment of some WTO Members to prioritize work to turn non-binding LDCs and MC9 Decisions into binding outcomes;
7. **Reiterating** our concern by a trend where key Members divert their attention from the DDA to the ever proliferating plurilateral agreements;
8. **Underscoring** the importance and the continued relevance of the DDA negotiations and the necessity to conclude them in line with the existing mandates and the integral principles therein in particular the principles of Single Undertaking, less than full reciprocity and special and differential treatment, no reduction commitment for LDCs;
9. **Underscoring** the preeminence of the guiding principles in the DDA negotiations namely, full Members participation, inclusive and transparent negotiations, bottom up and member driven negotiations;
10. **Reiterating** our strong resolve that the negotiations on Agriculture and NAMA should be based on 2008 draft modalities taking into account the particular circumstances of African States.

Hereby,

11. **Reaffirm** the 2013 Addis Ababa Declaration on WTO issues together with the outcome of the discussions of the 23<sup>rd</sup> Ordinary Session of African Union Summit on WTO issues;

12. **Call** on Members to recommit to ensuring that the development dimension remains at the heart of negotiated outcomes with consequent binding outcomes treated on priority basis pursuant to para 1.11 of the Bali Ministerial Declaration;
13. **Strongly** reject the introduction of new issues in the WTO negotiations before the conclusion of the DDA;
14. **Reaffirm** the need to identify key issues in the post-Bali work program that support and mobilize efforts towards achieving Africa's strategic structural transformation and regional integration agenda;
15. **Recognize** the importance of the three decisions taken by the General Council on 27<sup>th</sup> November 2014, which provide the basis for the work program on full Bali package. We affirm that this development demonstrates that multilateralism indeed works when there is full engagement, mutual understanding, commitment and a willingness to show flexibility demonstrated by all members. We therefore hope that these developments will galvanize the WTO members to show leadership by focusing on multilateral negotiations as opposed to pursuing plurilateral initiatives;
16. We acknowledge the systemic importance of the conclusion of the Trade Facilitation Agreement, we remain concerned that issues of importance to African Countries and many other developing countries did not result in binding outcomes from Bali.

## **I. Subject Specific WTO Issues**

### **A. Agriculture**

17. **Restate** our call to correct the systemic imbalances representative of the Uruguay Round outcomes, in particular, the Agreement on Agriculture through which distortions in the global markets continue to undermine Africa's potential economic gains encapsulated in Africa's comparative advantage;
18. **Underscore** that agriculture remains central to Africa's agenda at the WTO. We therefore emphasize the urgency to enhance market access to support value addition, job creation and overall development of Agriculture sector in Africa;
19. **Reaffirm** the importance of food security to African Countries and reiterate the need to achieve food security in the continent. We support efforts by Net-Food Importing Developing Countries (NFIDCs) in respect of Agriculture related rule-making in the WTO, and in this regard underscore the urgent need to a full implementation of the Marrakech NFIDC Decision in order to deliver improved food security and agricultural productivity in NFIDCs and LDCs;
20. **Further reaffirm** the need to strengthen the disciplines of the Green Box to ensue that measures notified under the Green Box comply with basic criteria, and to introduce necessary elements on the Green Box to reflect the particular circumstances of

developing country members in order to address the current imbalances in the Agreement on Agriculture;

21. **Take note** of the General Council's Decision referenced WT/GC/688 on public stockholding for food security purposes and recall the communication of the African Group in document TN/AG/GEN/15 which should guide the negotiations on the permanent solution;
22. **Urge** WTO members to abide by the Hong Kong Ministerial Declaration and the Bali Ministerial Decision to fulfill their commitments to ensure the parallel elimination of all forms of agricultural export subsidies and disciplines on all export measures with equivalent effect, and give an utmost consideration to prioritize these issues for the Post-Bali work program;

#### **B. Cotton**

23. **Reiterate** that the cotton issue must be a priority in the Post-Bali negotiations in accordance with the Hong Kong ministerial mandate and Bali Ministerial Decision , and on the basis of the revised draft modalities on agriculture of 6th December 2008 (TN / AG / W / 4 / Rev. 4);

#### **C. Non Agriculture Market Access**

24. **Emphasize** that the developmental dimension must be central in NAMA negotiations. NAMA modalities 2008 incorporate the principle of Less than Full Reciprocity and the flexibilities for the developing countries and LDCs, which must be the basis for NAMA negotiation, taking into consideration the peculiar circumstances of African States.. The outcome of NAMA negotiations must support Africa's industrial development, economic diversification and structural transformation agenda;

#### **D. Services**

25. **Reaffirm** that the negotiating process must remain multilateral, fully transparent and focused on a bottom-up approach. Plurilateral negotiations cannot substitute for an inclusive multilateral process;
26. **Stress** that the outcomes of the DDA, in respect of all present and future WTO agreements should include financial and technical assistance and sustainable sectoral capacity building measures as part of the SDT;
27. **Emphasize** the need to ensure that Africa obtains economic benefits in all three pillars of the negotiations (Agriculture, NAMA and Services);

#### **E. Least Developed Countries Issues**

28. **Recall** that LDC issues such as Duty Free and Quota Free Market Access, Preferential Rules of Origin and Cotton, are of critical importance to the integration of the LDCs into

the Multilateral Trading System; we call upon members to prioritize work on these issues with the view to translating them into legally binding negotiated settlement;

29. **Further, recall** the Collective Request submitted by the LDC Group on 21 July 2014 pursuant to the Decision on the Operationalisation of the LDCs Services Waiver (Ministerial Decision of 07 December 2013(WT/MIN (13)/43, WT/L/918). We look forward to a HIGH LEVEL meeting to be held in mid-January 2015 in line with the waiver decision, where non LDC members in a position to do so shall indicate sectors and modes of supply where they intend to provide preferential treatment to LDC services and service suppliers;
30. **Recognize and commend** the Enhanced Integrated Framework (EIF) as an important vehicle for the delivery of aid for trade and as an instrument for building trade capacity in LDCs. We welcome the report of the Comprehensive Evaluation which reaffirmed the relevance of the Enhanced Integrated Framework. We therefore call for a timely decision on the extension of the EIF beyond its 2015 mandate. To that end, we urge all our development partners to continue to deliver on their pledges with the view to addressing the current funding gap to ensure a seamless transition into the next phase in order to maintain the current momentum. We further urge that special efforts be made in the post-2015 phase of the EIF to align its efforts with regional integration initiatives on the continent;

#### **F. Trade Facilitation Agreement**

31. **Welcome** the establishment of the Trade Facilitation Agreement Facility (TFAF) as a tool for the delivery of assistance and support for capacity building in the implementation of the Trade Facilitation Agreement. We call for the expansion of the scope of TFAF to include both soft and hard infrastructure projects to facilitate the full implementation of the Agreement;
32. **Recognize** that trade facilitation is not only limited to the border measures aimed at expediting the release and clearance of goods, but also requires the development of infrastructure necessary to facilitate movement and transportation of goods in order to boost intra-regional trade;
33. **Concerned** that without the requisite financial and technical support, it will be difficult to implement many of the measures within the Trade Facilitation Agreement given the limited budgetary resources in many African countries. Taking note that African countries and LDCs will be required to undertake most reforms in the implementation of the Agreement, yet many do not at this stage have the requisite clarity on the availability and adequacy of support they need to meet the onerous obligations of the Agreement. We urge development partners to meet their obligations and pledges in providing the requisite assistance and support for capacity building.
34. **Underscore** the importance of the inclusion of paragraph 47 of the Doha ministerial declaration in the preamble of the General Council decision on Trade Facilitation contained in the document WT/PCTF/W/28 as a basis to assess the overall balance as

we develop a post Bali Work program in the context of the Doha development negotiations;

## **G. TRIPS**

35. **Urge** WTO Members to amend the TRIPS Agreement to include a mandatory requirement for patent applicants to disclose the origin of biological material and traditional knowledge used in their inventions, evidence of prior informed consent and benefit sharing arrangements with the country of origin and the relevant communities with a view to establishing a mutually reinforcing relationship between TRIPS Agreement and the Convention of Biological Diversity in implementing the obligations under the two agreements. We therefore call for the intensification of work on these issues, including effective protection of traditional knowledge as intellectual property.

## **H. Statute of Observers to WTO from the African Union**

36. **Mandate** the AUC to renew its application to the Director General of the WTO and all the relevant bodies of the WTO to request the granting of permanent observer status to the African Union in all WTO bodies.

37. **Call upon** all WTO members to support the African Union's efforts to secure permanent observer status in the WTO.

## **I. Dispute Settlement**

38. **Recall** the African Group proposals on the reform of the DSU and urge Members to ensure that any reform facilitates the participation of African countries in the dispute settlement system thereby alleviating the difficulties African countries face in using the system;

## **J. Development Issues**

39. **Insist** that DDA outcomes must incorporate adequate, demand driven financial and technical assistance and sustainable capacity building as integral parts of the S&D treatment under all WTO Agreements;

40. **Reaffirm** the centrality and importance of Special and Differential treatment and the relevant provisions in the WTO agreements and urge WTO members, in line with para 44 of the Doha Ministerial Declaration, to review all S&D provisions in order to strengthen them and making them more precise, effective and operational. We also attach equal and utmost importance to the expeditious completion of the S&D work programme set out in para 12.1 of the Decision on Implementation-Related Issues and Concerns and endorsed in para 44 of the Ministerial Declaration;

## **K. Aid for Trade**

41. **Welcome** the upcoming 5th Global Review of Aid for Trade under the auspices of the WTO and stress the importance of its theme namely "Reducing the costs of trade for sustainable and inclusive growth," within the context of facilitating intra-African trade;

42. **Reiterate** our strong appeal for the mobilization of fresh, additional, effective, sustainable and predictable resources, necessary for the effective and efficient implementation of trade related priorities of the African Countries in a bid to address infrastructural and supply side constraints;

## **L. Accession**

43. **Restate** our full solidarity with all African countries in the process of accession into the WTO and urge WTO Members to adopt measures and decisions aimed at simplifying accession procedures and enhancing the existing institutional mechanisms including the definition of transparent rules of implementation of the provisions of Article XII of the Marrakesh Agreement establishing the WTO;

44. **Stress** the need to fully implement all aspects of the General Council Decision of 25<sup>th</sup> July 2012 on Accession of LDCs aimed at strengthening, streamlining and operationalizing the 2002 LDCs Accession Guidelines by all WTO Members with due consideration to the specific circumstances and development objectives of acceding LDCs;

45. **Urge** WTO Members, WTO Secretariat and relevant international organisations to provide requisite technical assistance and capacity building to acceding countries prior to, during, and in the follow-up to the accession process in line with their needs and development priorities;

## **II. Support to the African Group**

46. **Aware** that the DDA negotiations will intensify within the context of post Bali work program and further aware of the capacity constraints of both the African Missions and African Union Delegation in Geneva, we call on development partners to technically support African Group's participation in DDA negotiation through both the African Union and the UNECA;

## **III. Other Developments**

47. **Take note** with gratification the outcome of the Second United Nations Conference on Landlocked Developing Countries held in Vienna, Austria from 3-5 November 2014 and welcome both an ambitious 10 year action plan aimed at accelerating sustainable development in LLDCs and the six clearly defined priorities aimed at triggering structural transformation of LLDCs' economies and infrastructure development;

48. **Further take note** of the outcome of the 3rd International Conference on Small Island Developing States held in Samoa from 1<sup>st</sup> -4<sup>th</sup> September 2014, and call for progress in the implementation of the work programme on small economies at the WTO, taking into

consideration existing special and differential treatment provisions. We emphasize the need to support integration of SIDS in regional and global markets;

#### **IV. Post-2015 Agenda**

49. **Welcome** the UN's efforts to advance the Post-2015 Development Agenda and encourage a greater focus on the role of Trade in promoting inclusive socio-economic growth and as an "enabler" of development with its key components such as poverty eradication, job creation, infrastructure development and environmental conservation;

#### **V. Venue for WTO MC10**

50. **Welcome and fully** support the bid by the Government of Kenya to host the 10th Ministerial Conference of the WTO in Nairobi in December 2015. Welcome the withdrawal of Turkey in favor of Kenya. We call upon all Members to endorse Kenya's bid to host the 10th Ministerial Conference, noting that it would be the first time for a WTO Ministerial Conference to be held in Africa.