



General Assembly

Distr.: Limited
10 December 2002

Original: English

Fifty-seventh session Second Committee

Agenda item 84 (a)

Macroeconomic policy questions: international trade and development

**Draft resolution submitted by the Vice-Chairman of the Committee,
Mr. Abdellah Benmellouk (Morocco), on the basis of informal
consultations held on draft resolution A/C.2/57/L.37**

International trade and development

The General Assembly,

Recalling its resolutions 55/182 of 20 December 2000 and 56/178 of 21 December 2001 on international trade and development,

Recalling also the Plan of Action adopted at the tenth session of the United Nations Conference on Trade and Development, held at Bangkok from 12 to 19 February 2000,¹

Reaffirming the role of the United Nations Conference on Trade and Development as focal point within the United Nations for the integrated treatment of trade and development and the interrelated issues in the areas of finance, technology, investment and sustainable development,

Taking note of the outcome of the Fourth Ministerial Conference of the World Trade Organization, held at Doha from 9 to 13 November 2001,² and noting that the Fifth Ministerial Conference of the World Trade Organization to be held at Cancún, Mexico, in September 2003, will take stock of progress in the negotiations,

Recalling the provisions of the United Nations Millennium Declaration³ dealing with trade and related development issues, as well as the outcomes of the International Conference on Financing for Development, held at Monterrey, Mexico,

¹ TD/390, part II.

² See A/C.2/56/7.

³ See resolution 55/2.



from 18 to 22 March 2002,⁴ and the World Summit on Sustainable Development, held at Johannesburg, South Africa, from 26 August to 4 September 2002,⁵

Reiterating the importance of continued trade liberalization in developed and developing countries, including in sectors of export interest to developing countries, and bearing in mind paragraph 10 of General Assembly resolution 55/182,

Recalling that the domestic efforts made by many developing countries in recent years to reshape their economies, in particular by autonomous trade liberalization, will be more effective if they are matched by enhanced and predictable market access for their main export priorities in goods and services, and by effective support for the development of their supply capacity, and in this regard bearing in mind paragraph 28 of the Monterrey Consensus of the International Conference on Financing for Development,⁶

Noting the proposals made to implement the work programme of the World Trade Organization including those to liberalize international agricultural and non-agricultural trade,

Noting also the significant contribution of the multilateral trading system to economic growth, development and employment, and the importance of maintaining the process of reform and liberalization of trade policies as well as the importance of rejecting the use of protectionism so that the system plays its full part in promoting recovery, growth and development, in particular of developing countries,

Recalling that, to benefit fully from trade, which in many cases is the single most important external source of development financing, the establishment and enhancement of appropriate institutions and policies in developing countries, as well as in countries with economies in transition, are needed, and that, in this context, enhanced market access, balanced rules and well-targeted, sustainably financed technical assistance and capacity-building programmes for developing countries also play important roles,

1. *Reaffirms* the commitments of the Ministerial Declaration of the Fourth Ministerial Conference of the World Trade Organization⁷ to place the needs and interests of developing countries at the heart of the work programme adopted in the Declaration and to continue to make positive efforts designed to ensure that developing countries, especially the least developed among them, secure a share in the growth of world trade commensurate with the needs of their economic development;

2. *Takes note* of the in-depth review undertaken by the Trade and Development Board with respect to developments and issues in the post-Doha work programme of particular concern to developing countries and its contribution to an understanding of the actions required to help developing countries secure beneficial and meaningful integration into the multilateral trading system and the global

⁴ See *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7).

⁵ *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II.A.1), chap. I, resolution 1, annex, and resolution 2, annex.

⁶ *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

⁷ A/C.2/56/7, annex.

economy and to achieve a balanced, development-oriented and successful outcome at the end of the Doha process;

3. *Also takes note* in this regard of the relevant work of other international organizations;

4. *Expresses concern* about the adoption of a number of unilateral actions that are not consistent with rules of the World Trade Organization, harm the exports of all countries, in particular those of developing countries, and have a considerable bearing on the ongoing World Trade Organization negotiations and on the achievement and further enhancement of the development dimension of the trade negotiations;

5. *Acknowledges* the measures taken to increase market access consistent with the rules of the World Trade Organization for some developing countries, and in particular for the least developed countries, and further recognizes the importance of enhanced and predictable access to all markets for the exports of developing countries;

6. *Considers* that, in the context of the current world economic situation, the multilateral trading system should be reinforced by achieving a balanced outcome of the Doha negotiations that responds to the interests of all members of the World Trade Organization, in particular developing countries, by giving concrete shape to the development-related provisions of the work programme of the World Trade Organization, and by working to ensure that the concerns of developing countries, in particular in terms of implementation issues and special and differential treatment, are properly and effectively addressed in accordance with the Ministerial Declaration adopted at Doha, as amended by the action of the General Council of the World Trade Organization;

7. *Reiterates* the need for the deadlines in the negotiating process, as established in the Ministerial Declaration adopted at Doha,⁸ and as amended by the General Council of the World Trade Organization, to be respected;

8. *Recognizes* that trade rules and issues in the post-Doha framework should have a clear development content and, in this regard:

(a) Expresses determination to take concrete action to address issues and concerns that have been raised by many developing country members regarding the implementation of some agreements and decisions of the World Trade Organization, including the difficulties and resource constraints that have been encountered in the implementation of obligations in various areas;

(b) Affirms that provisions for special and differential treatment are an integral part of the Uruguay Round of multilateral trade negotiations by which the World Trade Organization was established, and that all special and differential treatment provisions should be reviewed with a view to strengthening them and making them more precise, effective and operational, and notes the importance of paragraph 12.1 (i) of the Decision on Implementation-related Issues and Concerns of 14 November 2001, adopted by the Fourth Ministerial Conference of the World Trade Organization,⁹

⁸ See A/C.2/56/7, annex, paras. 45 and 46.

⁹ WT/MIN(O1)/17.

(c) Affirms that ongoing negotiations should aim at clarifying and improving disciplines in the areas of anti-dumping, subsidies and countervailing measures taking into account the needs of developing countries, including the least developed countries, while preserving the basic concepts, principles and effectiveness of those agreements and their instruments and objectives;

(d) Considers that, in the area of agriculture, without prejudging their outcome, the commitment to the comprehensive negotiations initiated under article 20 of the Agreement on Agriculture,¹⁰ as referred to in the Ministerial Declaration adopted at Doha and aimed at substantial improvements in market access, reductions of all forms of export subsidies with a view to phasing them out and substantial reductions in trade distorting domestic support, should be fulfilled, with it being agreed that the provisions for special and differential treatment for developing countries should be an integral part of all elements of the negotiations and should be embodied in the schedules of concession and commitments and, as appropriate, in the rules and disciplines to be negotiated, so as to be operationally effective and to enable developing countries to effectively take account of their development needs, including food security and rural development, with note being taken of the non-trade concerns reflected in the negotiating proposals submitted by members of the World Trade Organization and with it being confirmed that non-trade concerns would be taken into account in the negotiations as provided for in the Agreement on Agriculture, in accordance with the Ministerial Declaration;

(e) Considers that negotiations in trade in services should be conducted with a view to promoting the economic growth of all trading partners and the development of developing and least developed countries, that there should be no a priori exclusion of any service sector or mode of supply and that special attention should be given to sectors and modes of supply of export interest to developing countries, and recognizes the work already undertaken in the negotiations and the large number of proposals submitted by members on a wide range of sectors and several horizontal issues, as well as on movement of natural persons;

(f) Reaffirms the commitments made with respect to the interpretation and implementation of the Agreement on Trade-related Aspects of Intellectual Property Rights¹¹ in a manner supportive of public health and promotion of access to medicine for all, including full and timely implementation of the Declaration on the TRIPS Agreement and Public Health adopted by the Fourth Ministerial Conference of the World Trade Organization on 14 November 2001;¹²

9. *Acknowledges* the seriousness of the concerns expressed by the least developed countries in the Zanzibar Declaration adopted by their ministers responsible for trade in July 2001 and recognizes that the integration of the least developed countries into the multilateral trading system requires meaningful market access, support for the diversification of their production and export base, and trade-related technical assistance and capacity-building;

¹⁰ See *Legal Instruments Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations, done at Marrakesh on 15 April 1994* (GATT secretariat publication, Sales No. GATT/1994-7).

¹¹ *Ibid.*

¹² WT/MIN(01)/DEC/2.

10. *Stresses* the importance of facilitating the accession of all developing countries, particularly the least developed countries, as well as countries with economies in transition, that apply for membership in the World Trade Organization, and bearing in mind paragraph 21 of General Assembly resolution 55/182 and subsequent developments;

11. *Reaffirms* the commitments made at the Fourth Ministerial Conference of the World Trade Organization held at Doha and at the Third United Nations Conference on the Least Developed Countries, held at Brussels from 14 to 20 May 2001,¹³ and, in this regard, calls upon developed countries that have not already done so to work towards the objective of duty-free, quota-free market access for all least developed countries' exports, and notes that consideration of proposals for developing countries to contribute to improved market access for least developed countries would also be helpful;

12. *Also reaffirms* the commitment to actively pursue the work programme of the World Trade Organization with respect to addressing the trade-related issues and concerns affecting the fuller integration of small, vulnerable economies into the multilateral trading system in a manner commensurate with their special circumstances and in support of their efforts towards sustainable development, in accordance with paragraph 35 of the Ministerial Declaration adopted at Doha;

13. *Further reaffirms* the commitment to full and faithful implementation of the Agreement on Textiles and Clothing¹⁰ and calls for further progress in its implementation which is a necessary and inherent condition of full implementation of the agreements arising from the Uruguay Round;

14. *Stresses* the importance of clarifying and improving disciplines and procedures under the existing provisions of the World Trade Organization applying to regional trade agreements in accordance with the relevant mandate of the Fourth Ministerial Conference, taking into account the developmental aspects of these agreements, and urges the United Nations Conference on Trade and Development, in accordance with its mandates, to provide technical inputs in this respect;

15. *Also stresses* the importance of the Doha mandate for negotiations on market access for non-agricultural products which should aim to reduce or, as appropriate, eliminate tariffs, including the reduction or elimination of tariff peaks, high tariffs and tariff escalation, as well as non-tariff barriers, in particular on products of export interest to developing countries, and reaffirms that preferences granted to developing countries pursuant to the Decision of the Contracting Parties on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries of 28 November 1979 ("Enabling Clause")¹⁴ should be generalized, non-reciprocal and non-discriminatory;

16. *Recognizes* the importance for developing countries as well as countries with economies in transition of considering reducing trade barriers among themselves;

17. *Notes* the health and environment-related measures that have an impact on exports and stresses that the adoption or enforcement of any measures necessary

¹³ See A/CONF.191/11 and A/CONF.191/12.

¹⁴ Basic Instruments and Selected Documents of the General Agreement on Tariffs and Trade (GATT) (L 4903, BISD 265/203).

to protect human, animal or plant life or health should not be applied in a manner that would constitute arbitrary or unjustified discrimination or a disguised restriction on international trade, and recognizes the importance of capacity-building support for developing countries so as to enable them to put in place the appropriate measures necessary for meeting consistent standards of the World Trade Organization;

18. *Encourages* support for measures to simplify and make more transparent domestic regulations and procedures that affect trade so as to assist exporters, particularly those from developing countries;

19. *Stresses* the importance of increased participation of developing countries in the work of relevant international standards-setting organizations and of increased technical assistance and capacity-building in this regard;

20. *Expresses satisfaction* with the renewed and increased cooperation between the United Nations Conference on Trade and Development and the World Trade Organization as well as with the joint efforts to provide trade-related technical assistance, and calls for a further strengthening of this cooperation, and stresses in this respect the importance of continuing and enhancing the implementation of the United Nations Conference on Trade and Development Programme of Capacity-Building and Technical Cooperation for Developing Countries, Especially the Least Developed Countries and Economies in Transition, in support of their participation in the World Trade Organization Doha Work Programme;

21. *Invites*, in this regard, donors and other countries in a position to do so to continue to provide the United Nations Conference on Trade and Development with the necessary resources to deliver effective and demand-driven assistance to developing countries, especially least developed countries, and countries with economies in transition, and to small and vulnerable economies, as well as to continue and enhance their contributions to the trust funds of the Integrated Framework for Trade-related Technical Assistance to Least Developed Countries and the Joint Integrated Technical Assistance Programme and to the activities of the International Trade Centre UNCTAD/WTO;

22. *Invites* donors and other countries in a position to do so to make voluntary contributions to the World Trade Organization Doha Development Agenda Global Trust Fund and further invites the World Trade Organization to cooperate closely with other organizations having the necessary expertise and comparative advantage in delivering technical assistance;

23. *Invites* bilateral and multilateral financial and development institutions, in cooperation with interested Governments and their financial institutions, to expand and coordinate their efforts, with increased resources, to further support national efforts to benefit from trade opportunities and effectively integrate into the multilateral trading system;

24. *Reaffirms* the commitment on the part of developed and developing countries to mainstream appropriate trade policies in their respective development policies and programmes;

25. *Calls upon* the United Nations Conference on Trade and Development, within its mandate, to contribute to the Plan of Implementation of the World Summit

on Sustainable Development,¹⁵ and welcomes the cooperation on trade, environment and development, inter alia, in the field of technical assistance to developing countries, between the secretariats of the World Trade Organization, the United Nations Conference on Trade and Development, the United Nations Development Programme, the United Nations Environment Programme and other relevant international developmental or environmental organizations;

26. *Endorses* the outcome of the mid-term review of the work of the United Nations Conference on Trade and Development,¹⁶ which was aimed at reviewing the implementation of the commitments and of the work programme agreed upon at the tenth session of the Conference, and reiterates its profound gratitude to the Government and people of Thailand for hosting the mid-term review;

27. *Welcomes* the generous offer by the Government of Brazil to host the eleventh session of the United Nations Conference on Trade and Development in 2004, and takes note of the invitation addressed to the Secretary-General of the Conference to prepare the draft provisional agenda and the timetable for the Conference for consideration by the Trade and Development Board in the first quarter of 2003;

28. *Requests* the Secretary-General of the United Nations, in collaboration with the secretariat of the United Nations Conference on Trade and Development, to report to the General Assembly at its fifty-eighth session, on the implementation of the present resolution and on developments in the multilateral trading system, under the sub-item entitled "International trade and development".

¹⁵ *Report of the World Conference on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II.A.1), chap. 1, resolution 2, annex.

¹⁶ See A/57/15 (Part II).