WORLD TRADE ORGANIZATION

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Director-General

Mr Chairman,

I am happy to be here again for this year's Joint Advisory Group (JAG) session. Participating at this event is a key feature of our coordination with ITC and allows us to share with you our assessment of this co-operation.

Since last year's JAG session, a number of important events have taken place that impact on our work and we have also gained a better sense of the prospects for exiting the global economic and financial crisis which has impacted all countries, the developing ones more.

Among these key events which I would like to highlight is the UN Summit on the Millennium Development goals which took place in September in New York. Among the issues that came out very clear from that summit was the fact that for a majority of developing and least-developed countries, the modest gains they had made towards achieving the MDG goals had been seriously eroded by the crisis. Furthermore, there was a very clear call by a majority of developing countries that keeping trade open represented their best chance to exit the crisis and the conclusion of the DDA is now more than ever urgent.

The conclusion of the DDA remains our key objective and towards this end, the recent G20 summit in Korea, Seoul reaffirmed member's commitment to conclude. The G20 declaration is a confirmation of the view that trade is central to the global economic recovery and growth agenda and that the conclusion of the DDA in the next 12 months is a must if developing countries are to realise the full potential of trade opening.

This week, WTO members have agreed on a work program for all the negotiating groups to follow that will lead to revised draft negotiating texts by the end of the first quarter of 2011. This is a key issue if we are to conclude by end of 2011.

The discussions in last year's year session of the JAG were dominated by consideration of the ITC, s Change Management report. An aspect of that exercise which I would to highlight and congratulate Patricia on is that as far as the delivery of ITC activities is concerned, they were not disrupted by the changes brought about by the program. ITC was able to deliver and meet its client's expectations and those of its partners including the WTO.

We are also pleased to see that ITC continues to enhance its knowledge of its client countries through strengthened partnerships. The ITC client surveys are an excellent tool which is proving its worth. Understanding ITC clients' needs and expectations on both the demand and supply side is a critical issue. In this vein, I would also like to encourage ITC to continue its on-going efforts to better align its functions and services to the demands of its clients, particularly the least-developed countries. This is the only way that efficiency and effectiveness will be maximised. The current budgetary pressures that donors are faced with make this even more critical.

Let me now turn to our work with ITC and how we would like to see this evolve in the next 12 months.

At last year's JAG session, among the areas I highlighted as important to the WTO where the ITC was better placed to contribute is in the area of LDC accessions. I am happy to note that substantial progress has been made towards operationalizing the joint WTO/ITC/EIF secretariat program that seeks to provide capacity building support to LDCs in the accession process. The accession of LDC to the WTO remains an important political priority for me and we attach significant political importance to it. Furthermore, this is particularly relevant considering that in 2011 the international community will meet in Turkey at the 4th UN conference for LDCs to take stock of what has been done in the last decade to improve the situation of LDCs.

It is important to note that ITC has continued to back its expressed commitment to LDCs with concrete interventions. The fact that out of a total of $34.6 million in extra budgetary expenditure in 2009, $15.2 million went towards Least-Developed and Small Island developing countries is a good example of this commitment.

While still on the topic of the 4th UN LDC conference, I would like to note that for us, the conference will be an opportunity to deliver on a number of commitments to the LDCs. The DDA negotiations have already delivered on the Brussels plan of Action's call for DFQF market access. What is missing is a supporting commitment on preferential rules of origin to ensure that this market access is fully exploited. It is therefore our view that this could be one of the deliverables of the conference.

Another key area where ITC is playing a crucial role is in building technical capacity among African private sector on trade policy issues. We are currently working with ITC and the African Development Bank on a new strategy to extend support towards strengthening the capacity of African business in trade policy issues such as trade facilitation. At a recent meeting hosted by the AfDB on this issue, Patricia was selected to work with a core group of African CEOs to develop a program through which we would cooperate with African business.

Also closely linked to our African private sector initiative is the work we are doing with a number of partners including the AfDB to mobilise trade finance. The reports we are receiving indicate that while the trade finance market conditions in most regions of the world have improved, in Africa the situation is still dire and more support still required. ITC,s support in this regard will be highly appreciated.

Furthermore, as I have noted in past sessions of the JAG, the ITC is a key partner in the Aid for Trade initiative. Next July we will host the 3rd Global Aid for Trade review conference. The focus of this upcoming review conference will be on demonstrating impact of aid for trade interventions. This is a key issue particularly in this period of tight budgetary constraints. I am happy to see that this is also identified as a priority in ITC, s strategy for 2011.

Also related to our work with private sector in Africa and Aid for Trade is our work with Regional Economic Communities. The work of ITC towards strengthening partnerships with RECs is commendable and is in line with our view that for aid for trade and TA interventions to succeed, they have to be of a regional nature. The participation of the Secretary General of the COMESA Secretariat at this year's JAG session is a confirmation of the strength of this co-operation.

We are encouraged by the fact that ITC, s investment of extra budgetary resources in Africa has exceeded all expectations. We note that around 58% of programme resources were spent in Sub Sahara Africa. The growing list of requests for ITC support from African countries is an indication that your interventions are recognised and therefore new strategies to meet these expectations should be formulated. Of course key to this is the continued support of donors and I look forward to donor announcements of contributions for 2011 during this JAG.

The ITC, s 2011 Consolidated Programme Document (CPD) highlights a number of priorities which we also consider as important. We are particularly encouraged by the commitment to expand access of beneficiary countries to global supply chains through closer co-operation with regional and multinational players. In this regard I wish to commend ITC for its EU funded sector value chain development programme for the African cotton sector under the ALL ACP Agricultural Commodities Programme. Through this programme, ITC has demonstrated how sector value chain development can deliver real impact.

The CPD also highlights the importance of the EIF to LDCs and on this point I would like to note that there is an urgent need to conclude the implementation of tier I projects and move on to implementation of tier II projects. This is an important issue which requires the full attention of all partners in particular the beneficiary countries. The continued active role of ITC in this regard is critical. The reality is that unless we are able to demonstrate the impact of EIF interventions, the credibility of the programme in the eyes of donors is at stake.

Let me conclude by noting that the discussions on the replenishment of IDA 16v have just concluded successfully in Brussels with an overall envelope of $49.3 billion for the next 3 fiscal years. This represents an increase of 18% over IDA 15. What this demonstrates is that donors, despite their current budgetary pressures remain committed towards supporting developing countries.

Our collective challenge is therefore to demonstrate that this support is bearing fruit and that developing and least-developed countries are getting more integrated into the global economy.

Thank you.