

UNITED NATIONS ECONOMIC AND SOCIAL COMMISSION FOR ASIA
AND THE PACIFIC (UNESCAP)

WORLD TRADE ORGANIZATION (WTO)

WTO/ESCAP Regional Seminar on Agriculture Negotiations for Asia-Pacific
Economies

28-29 November 2007

Bangkok

**OPENING STATEMENT BY MR. XUAN ZENGPEI,
DIRECTOR, TRADE AND INVESTMENT DIVISION, UNESCAP**

Distinguished participants, ladies and gentlemen,

It gives me great pleasure to welcome you to the WTO/UNESCAP Regional Seminar on Agriculture Negotiations for Asia-Pacific Economies. In particular, I wish to extend my appreciation to WTO for organizing yet again another excellent joint activity with UNESCAP under the WTO/ESCAP Technical Assistance Programme. This programme has over the years received wide recognition and high acclaim. We are now working together with other multilateral and regional agencies to formulate a comprehensive programme of action on Aid-for-Trade.

Distinguished participants,

As the Doha negotiations are reaching a crucial stage, with agriculture again being a principal bone of contention, it may be useful to reflect briefly on the role and importance of agriculture in the Asia-Pacific region. Less than an average 10 per cent of world trade is sourced from agriculture, while the sector accounts for about 4 per cent of global GDP. These world averages do not tell us that close to **70 per cent of the population in our region live in rural area, most of whom in absolute poverty** – at an income of less than a dollar a day.

Food accounts for most of agricultural trade. This is why agriculture trade is one of key factors in fighting poverty and hunger. And that is why agriculture is so sensitive. After all, it is sometimes forgotten that there are dimensions of agricultural trade that are not only associated with putting food on a table, but also with ensuring food security and food safety, protecting traditional family farming and rural villages for tourism and cultural purposes, preventing soil erosion and preserving the environment, traditional knowledge and values, and increasingly enhancing energy security as well with the growing trend of using selected food crops as biofuels. Be it for these or other reasons, agriculture has always been important in international trade and today in the minds of many holds the key to a successful conclusion of the current round of trade negotiations.

What is at stake then? What will be left locked behind the door if the agriculture key is lost? The benefits from liberalization in agriculture are inseparably linked to benefits from liberalization in NAMA, services and most importantly from securing the development dividends promised at the launch of the Round. While there are still differences in negotiating positions of WTO members, there is also a resolve to eliminate these differences sufficiently to pave the way for the conclusion of the Doha Round, possibly by the end of this year, or at least early next year. Everyone must be motivated to put their best efforts to achieve this result as everyone stands to gain: not only the US, the EU, large developing countries, but also LDCs and small landlocked economies. Negotiations are a give and take. No country can expect only gains and no sacrifices. A seminar like this is only one small instrument in clearing the obstacles on the road of mutual consensus. It appears that a compromise is at hand

and that the debate has shifted more to issues in NAMA than in agriculture. While this gives us hope, we have not reached the end of the road yet.

These factors all underscore the increasing need for technical assistance, especially as trade remains a principal force the development strategies of our members. UNESCAP, in partnership with WTO and other agencies, and more recently through the Asia-Pacific Research and Training Network on Trade (ARTNeT) which is funded by IDRC and managed by UNESCAP continues to provide comprehensive training programmes for trade negotiators and trade policy officials as an important means of achieving these development goals, including the Millennium Development Goals. As I mentioned before, the programme has gained a regional reputation for excellence and it is now one of the flagship programmes of UNESCAP. Given its deep understanding of development problems and its close proximity to developing countries of the Asia-Pacific region, we believe that UNESCAP, in collaboration with WTO, is well placed to continue delivering the training programme in a cost-effective and highly focused manner. These workshops will continue for as long as our members recognize that it is imperative for developing countries, both WTO members and prospective members, to strengthen their skills and knowledge of the issues involved.

One might however ask why UNSECAP - in light of its regional focus and proliferation of regional trade agreements still continues to promote and foster a multilateral approach to trade liberalization? The answer is simple. We, and our core partners, are convinced that the multilateral approach is the one which delivers the most to the ones that need most - least and less developed countries. In particular, regional and bilateral trade agreements are not well suited to deal with issues related

to domestic support and export subsidies. This may well change, particularly if the Doha Round ends in failure. Such failure will have high costs and lots of opportunities lost. We at ESCAP never miss an opportunity to press the importance of a successful Round which would benefit all even when not all expectations are met.

I wish to conclude by thanking again our long term partner in this activity, the WTO secretariat, represented here by Mr. Robson Fernandes. I wish the seminar all success.

.