

Africa beseeches rich world for full market access

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By Missy Ryan

WASHINGTON, Feb 14 (Reuters) - As world trade talks resume halting progress in Geneva, African leaders repeated their plea on Wednesday for a new global trade deal that will bring special benefits for Africa's dirt-poor farmers.

Farmers in Africa "are the poorest of the poor," said Erastus Mwencha, secretary general of COMESA, Africa's largest trade bloc. "Where can you find the solution?"

Mwencha and other African business leaders, who visited Washington this week in a mission focused on trade, investment, and the World Trade Organization's Doha round, believe the answer lies in increasing farm exports.

The Doha round of trade talks was launched in 2001 with a goal to give poor countries a greater share in the globalized economy. Nothing could be more important for Africa, which is home to 15 percent of the world's population but accounts for just 2 percent of world trade.

It is believed that increasing that share by just 1 percentage point would generate \$70 billion in export revenue for Africa, triple the amount of all foreign aid it receives.

But many economists believe that Africa's real gains hang on how far players like the United States and EU scale back domestic subsidies and grant Africa market access. Gains also depend on how many of the developing continent's own protections Africa is able to defend.

Even as Doha talks gear up after a six-month hiatus, African countries are worried that the world's great powers may have lost sight of the round's original mission.

"The development aspect has been totally overlooked," said Ajay Vashee, president of the Southern African Confederation of Agricultural Unions. Vashee spoke at a conference sponsored by the Woodrow Wilson Center and the International Food and Agricultural Trade Policy Council.

The United States maintains an ambitious Doha deal will be a win for all.

NOTHING FOR FREE?

WTO members have already agreed to give the world's 50 poorest countries, two-thirds of which are in Africa, duty-free, quota-free access to rich-country markets for 97 percent of their tariff lines if a Doha deal materializes.

Even locking out 3 percent of tariff lines could all but wipe out new export opportunities, some analysts believe.

Mwencha pressed the point in the meeting with U.S. Trade Representative Susan Schwab this week: "What is this 3 percent? You cannot exclude all the elements that are of interest to us," he told her.

William Jackson, Schwab's director of African Affairs, said greater duty-free and quota-free access might not even benefit Africa's poorest countries because they already receive special treatment under existing preference packages.

Some African countries, he added, don't want the United States to grant duty-free access for textile and apparel products because that might diminish African countries' edge over poor nations elsewhere.

African officials also want rich nations to pledge more funding for "aid for trade," a companion plan to help poor countries benefit from liberalized trade by funding roads, processing plants, or other export capabilities.

Aid for trade is on the Doha negotiating agenda, but it's still unclear how much will materialize.

Mwencha's concern is that donor countries could simply shift existing aid commitments to WTO aid for trade. "We are worried whether there are really additional resources. Is this old wine being put in new bottles?" he asked.