

**Statement Delivered by Hon. Meen Bahadur Bishwakarma,
Minister for Commerce of Nepal at the Plenary Session of the 11th
WTO Ministerial Conference
Buenos Aires, Argentina, 12 December 2017**

**Madam Chairperson,
Director General of WTO,
Fellow Ministers,
Distinguished Delegates,
Ladies and Gentlemen!**

At the outset, I would like to express sincere gratitude to the Government and people of Argentine Republic, firstly, for the warm hospitality extended to me and my delegation since we arrived at Buenos Aires, and secondly for the excellent arrangements made for the 11th Ministerial Meeting. I take this opportunity to congratulate Her Excellency Ms. Susana Malcorra, Chair of the MC11, in undertaking such bold responsibility at a time when the WTO is confronting with formidable challenges in the history of its development.

I appreciate Director General H.E. Roberto Azevedo for his active role in facilitating multilateral trade system within the purview of the rule-based member driven Organization. I request for extra efforts on the part of the Secretariat to bring in sharpened expertise and principled ideas that help the members reach larger convergence on critical issues of global benefits.

Madam Chair,

The LDC Group of which Nepal is a part, has always remained a staunch supporter of the rule-based, transparent, well integrated, more viable and non-discriminatory multilateral trading system (MTS), and have shown strong commitment to the objectives and principles of the Marrakesh Agreement establishing the WTO. As countries at the bottom rung of the development ladder, we expect equitable trade opportunities through WTO to eliminate poverty, create jobs and achieve sustained growth and diversified economy which paves our path to sustainable development.

Several internationally agreed development goals have clearly spoken of the special needs of the LDCs to make trade a vital engine of their growth and development. Looking at the preamble to the Marrakesh Agreement, the Istanbul Programme of Action for LDCs (IPOA) that aims to double LDCs' export trade by 2020 and the 2030 Sustainable Development Agenda reiterates the cause of LDCs, and strongly urges 'leaving no one behind' and similar other internationally agreed development goals that do focus on people-centric sustainable development. Given this, allow me to ask why the WTO community is being unable to accord priority to the genuine trade concerns of LDCs.

We can also reflect on whether the stipulated provisions of the WTO and covered agreements, as well as ministerial declarations and decisions made in the past have brought the desired outcomes for LDCs. What LDCs want is inclusiveness and equitability in international trade and their trade benefits without discrimination so that they can move out of marginalization and get meaningfully integrated into the international trading system.

Despite several years of efforts, ground reality reveals that the share of LDC exports has further gone down from 1.17% in 2013 to 0.98% in 2015 and likely to remain 0.91% in 2017. This sharply contrasts with the IPOA goal of raising the global export of LDCs to 2% per annum by 2020. The rate with which LDCs have been graduating is dismal and poverty intermingled with hunger in them persists unabated. The range of exports from LDCs has not gone beyond commodity dependence or low value-added products or services.

Madam Chair,

Our experience in Nepal shows that comparative development inequity due to its landlocked topography has engendered very low growth in export trade as compared to ballooning imports over the years. Now this has taken us to an alarming trade deficit of 1:13.5 in terms of export-import ratio. Moreover, like in many LDCs, with preference erosion in the export market and more available choice of internationally traded goods and services locally, we have been lapsing into an import market and relegated to the status of a net food importing country (NFIC). This has eventually raised the question of food security in our country.

We strongly feel that continued impasse in full implementation of the Doha Development Agenda that aims to address the historic inequities among members by putting development dimension of trade at the center, is not serving the interests of any in our Organization. It may pose a serious threat not only to the credibility of the WTO, but also for smooth functioning of the Multilateral Trading System as a whole. WTO Members should, therefore, work resolutely to display necessary flexibility to conclude the DDA at the earliest so that meaningful outcomes can be delivered equitably to its deserving Members.

Madam Chair,

Nepal welcomes all the declarations and decisions of the past Ministerial meetings that have endeavored to address the specific issues of LDC trade interest, including those of Hong Kong, Bali and Nairobi. We want to make sure that these decisions are implemented in good faith through partnership and collaboration, addressing the special needs of the LDCs. Any hurdles seen in implementation of the decisions on Duty Free Quota Free market access, preferential rules of origin, preferential treatment for the services and services providers of the LDCs, TRIPS waiver and Trade Facilitation Agreement must be removed. Mechanisms must be in place to make sure that these decisions are faithfully implemented for providing intended impacts on the ground in LDCs. The International Support Mechanisms (ISMs) like the EIF and Aid for Trade should leverage their efforts with other donor partners to strengthen the technical, regulatory, institutional and infrastructural capacities of LDCs to a height.

Madam Chair,

Special and Differential Treatment provisions are an integral part of the WTO system to provide policy space and level playing field to the developing countries and LDCs. The Group of 90, in a display of flexibility, has developed proposals in the form of a Ten Point Proposal to make them more precise, effective and operational as envisaged in paragraph 44 of Doha Ministerial Declaration. We should not forget that without industrialization, structural transformation and diversification of economies, the developing countries, including LDCs, cannot make any significant headways in export led growth which alone is a precondition to ensure their sustainable development. All the members, cognizant of this fact,

should find a suitable course of action in the near future, if not now, to adopt this agenda in larger interest of the WTO community.

While advocating the implementation of old remaining issues, Nepal has been in favor of balanced, transparent and inclusive world trade order with special consideration of LDCs' concerns including appropriate S&DT provisions. Without addressing the existing gaps inherent in the physical, digital and regulatory regimes in the LDCs, any new rules or rule-making will bring the LDCs to the brink of the further marginalization.

Madam Chair,

Diversification and value addition are particularly important in commodity dependent-LDCs to reduce current depressed price and volatile international commodity markets and facilitate to integrate into the regional and global value chains (GVCs). The LDC should be supported to capitalize the multiplier positive effects that could be achieved through industrialization and manufacturing sector development.

Technological advancement is playing a vital role in leveraging economic growth and development through enhanced productivity, efficiency and innovation. This has impacts on trade and development landscape, including jobs, production patterns and competitiveness of the economy. Opportunities for acquisition of new skills, trainings and education should be provided to developing countries to cope up with these new challenges. For Nepal, Mode 4 under the GATS remains a sector of priority.

Madam Chair,

Finally, we see a reawakened and revitalized future for the multilateral trading system as there is no other system that can replace its equitable appeal and global applicability. We stand for more constructive engagements of the Members in resolving the current impasse and streamlining the agenda for meaningful outcomes. We look forward to more strengthened, inclusive, participatory, transparent and revitalized WTO system as well as sustained global partnership for better and meaningful integration of LDCs into multilateral trading system.

I thank you all !