



AFRICAN CIVIL SOCIETY PREPARATIONS FOR THE FOURTH UNITED NATIONS
CONFERENCE ON LEAST DEVELOPED COUNTRIES (UN LDC IV)
TO BE HELD ON 09 MAY – 13 MAY 2011 AT ISTANBUL, TURKEY

MESSAGE FROM ARUSHA

1. We the civil society from Africa, meeting in Arusha, Tanzania on the 3rd of November 2010 have resolved as follows for the forthcoming UN LDC-IV forum in Istanbul:
2. The presentations and discussions during the day have highlighted that LDCs face common challenges and have common interest in finding solutions to these challenges through domestic measures as well as international interventions. The main problem of LDCs is poverty, in all its manifestations. Therefore, there is a consensus that the key challenge facing these countries is to develop and implement a package of policies and measures that will help them come out of the abyss of poverty. We discussed possible solutions and concluded that LDCs should take their destiny into their own hands and, in that regard, we welcome the support and partnership of the international community to help in the policies and plans being implemented by LDCs. Trade is a key avenue through which LDCs could achieve significant poverty reduction and development, and was therefore at the core of our discussions.
3. We urge LDCs to mainstream trade into their national development plans and seek requisite policy space to initiate flanking policies to support trade to deliver in poverty reduction and development. For this, LDCs can use the national implementation arrangements under the Enhanced Integrated Framework (EIF), and development partners need to increase their support to make the EIF work better to mainstream trade into the national development strategies of LDCs. In addition, LDCs need an enabling environment, effective market access and trade-related productive capacities to address supply side constraints.
4. Aid for Trade (AfT), of which EIF is a small component, needs more effective implementation. Commitments to AfT have not been fulfilled, and increased aid is required to be directed towards AfT by the development partners. We urge the development partners to increase AfT particularly to meet the planned action under the Action Matrices adopted by LDCs as part of their Diagnostic Trade Integration Studies under the EIF.
5. Trade preferences continue to be important as a majority of LDCs are still struggling to integrate themselves into the multilateral trading system. They need preference to increase exports, create jobs, and attract investment. However, past and present tariff preference schemes remain restrictive and complex, especially in their rules of origin and lack coordination across countries, leading to their suboptimal utilisation. Similarly, LDCs have not been able to utilise these schemes due to huge constraints in their supply capacity.

6. The WTO Ministerial meeting at Hong Kong in 2005 agreed to a declaration that developed countries shall grant duty free quota free (DFQF) market access to LDCs on 97 percent of tariff lines and urged developing countries in a position to grant similar preferences to LDCs to do so. However, the 3 percent excluded tariff lines might cover most products of export interest to LDCs. They require meaningful market access and need support to diversify their production and export base, and above all trade-related technical assistance, capacity-building and 100 percent DFQF market access with friendly rules of origin that can support their value addition efforts.

7. The preferential schemes are given discretionally and this brings uncertainty to investors. Reforms to the preferences should include long term commitment.

8. The Hong Kong Ministerial Declaration of the WTO Members called to pursue full and effective implementation of the modalities for special treatment of LDCs in trade in services. We call upon the WTO Members to develop appropriate methods, including devising a special mechanism of aid for services trade, for effective implementation of the LDC modalities in services, including assisting LDCs to identify sectors and modes of supply that represent their development priorities.

9. LDCs are resource-dependent and rely mainly on aid, which is not a sustainable intervention. It is important for LDCs to cooperate and pool their resources to address some of the internal challenges they are facing.

10. Regional integration will give LDCs a bigger market which they very much require. There may be no need for LDCs to persistently demand DFQF market access from developed countries, which we are blaming for their poverty, if they were able to unite and create effective regional markets for the goods they produce. Integration will bring about competition which will lead to increased productivity and efficiency. For as long as the poor developing countries and LDCs continue to export raw materials without adding value to them, they would, for ever, remain poor. LDCs must devise ways to move away from exporting raw materials and start value addition to all their products; through regional integration. Furthermore, such integration will lead to the reduction in waste of financial resources. It would also be important to LDC efforts to fight poverty and speed up their development through south-south trade and cooperation among LDCs and emerging developing countries.

11. Development process in LDCs should be participatory, including every stakeholder from all sectors. The international community should join the LDCs in supporting effective participation of non-state actors in the development processes to infuse better ownership of policies at the grassroots.

12. Reforms in trade should be accompanied by measures to deal with corruption to ensure effective use of resources and the benefits of trade should trickle down to the poor at the grassroots level. We recommend that both the LDCs and their development partners and investors should subscribe to the Extractive Industries Transparency Initiative (EITI), so that their extractive industries contribute to their development in a transparent and accountable fashion and not to their exploitation.

13. Instead of LDCs exporting raw materials and mineral resources to be processed in the importing countries, LDCs should jointly consider entering into negotiations with these countries to have with them joint ventures as this would have significant positive impacts on LDC exports.

14. The implementation of the Brussels Programme of Action left much to be desired, although some of it was effectively implemented. The Istanbul Programme of Action, therefore, needs to be supported with effective road map and monitoring evaluation tools for full implementation. The Istanbul Programme of Action should have concrete, meaningful and implementable action points and avoid best endeavour language.

15. We are presenting this Message to the decision makers preparing the Istanbul Programme of Action and resolve to closely monitor its implementation.