



WORLD TRADE ORGANIZATION
ORGANISATION MONDIALE DU COMMERCE
ORGANIZACIÓN MUNDIAL DEL COMERCIO

REPORT OF

CUTS-WTO OUTREACH WORKSHOP

**MULTILATERAL TRADING SYSTEM:
OPPORTUNITIES AND CHALLENGES FOR THE
EAST AFRICAN COMMUNITY (EAC) COUNTRIES**

29-30 April 2009

At Sarova Panafric Hotel

Nairobi, Kenya

OPENING REMARKS

Introductory remarks were provided by Mr. Clement Onyango of CUTS international Nairobi and Patrick Low of the WTO Secretariat and the meeting was officially opened by Honorable Omingo Magara, Kenya's Assistant Minister for Trade.

Mr. Onyango gave the background and objectives of the workshop and Mr Low gave an overview of the technical assistance programme of the WTO. They outlined the workshop objectives as following:

- ✚ fostering greater awareness and interest in the multilateral trading system;
- ✚ Enhancing participants understanding of the basic operations of the WTO, key issues on the international trade agenda, and status of the DDA; and,
- ✚ Encouraging dialogue and exchanges of views and ideas among civil society representatives on trade-related and development-related issues of particular relevance to the EAC countries. In addition, throughout the workshop civil society representatives are encouraged to consider their respective roles in multilateral processes and ways to increase public awareness of the international trade agenda.

OFFICIAL OPENING BY HON OMINGO MAGARA, ASSISTANT MINISTER, MINISTRY OF TRADE, KENYA

This workshop was officially opened by Hon Omingo Magara assistant Minister in the Ministry of Trade, Kenya on behalf of the Minister for Trade Hon. Amos Kimunya. He thanked the organizers of the event. He hoped the workshop would have exchanges relevant for the East African region as well as the international community.

He stated that the world's economy is currently marked by a severe financial crisis caused by among others lack of effective regulation, supervision and excesses of some key players. He noted that the crisis is having a tremendous consequences in all parts of the world including the EAC countries so the biggest challenge today is to ensure that trade is part of the solution and not part of the problem. He stated that the Doha negotiations set out a bold agenda putting development at the centre of multilateral trade negotiations. This marked the first step towards creating a fairer set of rules to govern international trade. His speech pointed out key promises to developing countries which are:

- ✚ interpreting and implementing the TRIPS agreement in a manner that gives developing countries the ability to deal with severe public health emergencies;
- ✚ making progress on market access for agricultural goods as well as reduction of export subsidies and other domestic support measures used by developing countries;
- ✚ ensuring that liberalization of services is done in a way that increases the participation of developing countries in service trade and provides appropriate flexibility for them;
- ✚ finding appropriate solutions to implementation concerns and addressing outstanding issues as a matter of priority

- ✚ Dealing with tariff peaks and tariff escalation as well as non-tariff barriers to products of export interest to developing countries.
- ✚ reviewing all special and differential treatment and provisions to make them more effective and allow developing countries rights and interests in the trading system; and
- ✚ providing more technical assistance and capacity building programs to developing countries

He asserted that the fulfilment of the above promises will mark the beginning of progress in exploiting the potential of international trade to improve living conditions in developing countries. In this regard, he noted that the challenge facing the international community is how to translate these promises in the Doha mandate into reality without jeopardizing the trade liberalizing objectives of WTO. At the fifth Ministerial conference held in Cancun, Mexico in 2003 severe differences between developed and developing countries on key issues under the negotiations resulted in the breakdown of the talks. After a year of consultations among the members, a negotiating framework was agreed upon in July 2004. The “July framework” provided the basis for further continuation of the talks until the sixth WTO ministerial conference that was held in Hong Kong in December 2005 during which the ministers of trade adopted a declaration that provided further guidance on issues under the Doha Work Programme.

The minister informed that Kenya is fully committed to the multilateral trading system and to the successful conclusion of the Doha Round this year but stressed that the outcome of the negotiations must take into account the development component of the negotiations. Failure of the DDA would certainly be a lost opportunity for developing countries to become more fully integrated into the global economy, and to benefit from the economic growth that trade can generate. The absence of a commitment to global trade liberalization at WTO, would further damage confidence in our already fragile economy.

In conclusion, he urged all the participants to actively engage in a dialogue on mechanisms of engagement between the relevant stakeholders to ensure better results for business community within the EAC region. He finally declared the workshop officially open.

PRESENTATION: The Multilateral Trading System:

State of Play of the Doha Round Negotiations: Challenges and Opportunities

By Patrick Low, Director, Economic Research and Statistics Division, World Trade Organization, Geneva Switzerland.

The current Negotiating Round of the WTO began in Doha, Qatar in 2001, and encompasses a broad set of issues, falling under what is known as the Doha Development Agenda (DDA). The Doha Round is still ongoing because of an apparent divide between interests of developed and developing countries, many of whom were unhappy with the results of the previous Uruguay Round of negotiations. The “development” dimension runs through the DDA mandate.

Principles underpinning the negotiations

Single undertaking

This means that all items negotiated will be considered as an indivisible package, in other words, “nothing is agreed, until everything is agreed.”¹ This ensures that there are no opportunities for countries or groups of countries to pick and choose among agreements or to opt out of particular obligations.

Transparency and inclusiveness

This means that WTO councils and committees are open to all Members, and that all countries have access to the same information. However, in spite of this, some processes remain, for instance the processes of “concentric circles” – the famous Room E and Green Room meetings which aim at facilitating convergence among key players.

Special and differential treatment (SDT)

This takes into account the particular situations of developing countries and attempts to level the playing field by providing flexibility on some matters. For instance, developing countries are allowed longer periods in which to implement certain agreements. Some industrialized countries take the position that an ambitious Market Access Round could further the goal of development. This position is worrying some developing countries, who feel that the focus of the Doha Round is now shifting from development, as the DDA mandate suggests, to market access.

Other principles are: bottom-up approach, sustainable development, other areas of work programme that are of priority, and consensus

The negotiations under the DDA focus on Agriculture, Market Access for Industrial Products, Trade in Services, Intellectual Property and WTO Rules, and are undertaken in respective Negotiating Groups.

Negotiations on Services aim to achieve liberalisation on trade in services ranging from health care provision to architecture to voice-mail telecommunications, and have taken two tracks: consultations on a multilateral text to be adopted at the same time as those on Agriculture and NAMA modalities; and the preparation of requests and offers on services. The latter is intended to be a series of ongoing bilateral consultations to encourage key countries to consider the benefits of making substantial concessions when it comes to improving market access for trade in services. Challenges in this area include the issue of temporary movement of workers, especially considering that developed countries are likely to see this as a migration rather than a trade issue.

The latest with regard to negotiations on Trade-Related Aspects of Intellectual Property Rights (TRIPS) is the submission on 13 March of a proposal on disclosure requirements, which would require patent applicants to disclose the use of any biological/traditional knowledge, with non compliance resulting in patent revocation. The proposal has gained the support of numerous developing countries, while developed countries are largely not in favour. The EC is of the view that the World Intellectual Property Organization (WIPO) is more appropriate than the WTO for discussions on disclosure; and the US is of the view that the proposal would not be effective at achieving its purpose.

Since 2001, there has been increasing momentum to clarify WTO Rules on Antidumping, Subsidies and Countervailing Measures, and Regional Trade Agreements to enhance their application, while preserving their basic principles and also ensuring that they support the development aspirations of developing countries. The Chairman of this Negotiating Group has circulated certain texts that did not please all Members, some of whom have requested a new revised text that will take into consideration their previous proposals. The Chairman has suggested giving Members a document reflecting discussions to date.

Some Milestones in the Doha Development Agenda:

- ✚ 2003 Cancun setback
- ✚ 2005 July Framework Agreement
- ✚ 2005 Hong Kong Ministerial Meeting
- ✚ 2006 July DDA suspension
- ✚ 2007 January resumption
- ✚ 2008 July breakdown
- ✚ 2009 – The struggle goes on

The progress of DDA

There was hope for completion in 2008 with steady progress on Agriculture and NAMA texts. However, work continued on other issues, “horizontal process” and emphasis on modalities in Agriculture and NAMA, “Middle” set of issues: services, rules, TRIPS. By July 2008, Progress had been made on Agriculture and NAMA modalities, except in the SSM in Agriculture and some other issues. Progress has also been made in the services signalling exercise. Towards the end of 2008 and beginning of 2009, there was some push but no Ministerial meeting took place. There remains work to be done under the sectorals proposal for industrial market access, SSM and cotton, but there is need for political impetus. Some of the early outcomes demanded include among others: trade facilitation, DFQF, agreement on bananas and development-specific outcomes.

The Multilateral Trading System: Opportunities and Challenges for the East African Community (EAC) Countries

By Anne Kamau, Department of External Trade, Ministry of Trade Kenya

The Doha Work Programme launched at the Fourth WTO Ministerial Conference is referred to as the Doha Development Agenda DDA. It is expected to address the development needs and concerns of developing and least developed countries. Developing countries are still struggling to fully integrate into the Multilateral Trading System and yet the development mandate is yet to be fulfilled. Conclusion of the DDA is key in order to achieve trade & development objectives.

Opportunities for the EAC countries from DDA

The conclusion of the DDA could buttress the trade and development objectives of EAC. A developmental outcome of the agriculture agreement would also ensure that under the agriculture sector drastic reductions are made in the area of domestic support and some of the development friendly measures in the green box are implemented. The policies included there are policies related to infrastructural services, soil conservation and rural employment services. EAC could also benefit from reductions in support for cotton.

Furthermore, an outcome on agriculture would bring substantial increase in market access for agriculture by tariff reductions in major export markets; Tariff escalation could be addressed in key sectors such as coffee; it could also come up with an agreement suitable for commodity dependent countries as envisaged under Articles XXXVIII and XX (h). Besides, it will outline policies for special products which would ensure policies to protect food security, livelihood security, and rural development. EAC stand to gain from Special Safeguard Mechanism to address issues of price decline and surges in imports.

In the area of services, opportunities exist in enhancement of market opportunities for EAC countries in services and possibility to use GATS to bind liberalization in key sectors and modes: telecommunication, financial services, movement of natural persons which are of importance to EAC.

The industrial sector will also benefit from reduction in high tariffs and tariff escalation in developed and advanced developing countries, non- tariff barriers to be addressed, and policy space and flexibility to address developmental and industrial needs for EAC.

The conclusion of DDA could also bring better ways to scale up aid for trade, an initiative agreed upon at the 6th WTO Ministerial Conference in Hong Kong, December 2005. The initiative is meant to assist developing countries to build supply capacity and trade related infrastructure to assist in the implementation of WTO Agreements and to expand trade. EAC countries should therefore participate and contribute to the structure and content of the Aid for Trade initiative. Linked with the aid for trade agenda is the programmes that will be earmarked for technical assistance and provisions on special and differential treatment for developing countries.

Challenges for the EAC countries

- ✚ Dependency of EAC countries on the major players in terms of exports imports security etc.
- ✚ Implementation of previous agreements: implementation issues pending decisions
- ✚ Negotiations based on the principle of trade-offs yet trade-offs should take place takes place among developed and advanced developing countries.
- ✚ Inadequate human, technical and financial resources.
- ✚ Costly process of Dispute Settlement Mechanism.
- ✚ Lack of agreement on the formal definition of “a developing country” in the WTO.

- ✚ “Single under taking” principle

Conclusion

The outcome of the DDA must incorporate the development dimension agreed upon at the Doha Ministerial Conference and should ensure that special and differential treatment provisions are strengthened to make them effective and operational. EAC countries should strengthen their missions in Geneva particularly in regard to the number of personnel and ensure effective participation in the on-going WTO negotiations and they need to consider negotiating as a region in the WTO.

The presentation can be seen at:

http://www.cuts-grc.org/ppt/Opportunities_Challenges_EAC-AnneKamau.ppt

Discussion on the presentations:

Various concerns were raised from the presentations which included among others:

- ✚ WTO negotiations are affecting some of the EPA clauses. So, the LDCS should ask the EU and calculate the subsidies that could be reduced and make judgement on market access.
- ✚ An accession procedure was given as an example to be used by countries non-members in the WTO (Sudan and Ethiopia) where cost-benefit analysis could be done to adapt the best practices through integrating in the world trade system.
- ✚ Banana agenda. There is a complicated system in place affecting banana producers in the ACP countries. So, the EU has to change the import structure which is under negotiations in the ministerial meetings.

STATE OF PLAY OF THE DOHA AGRICULTURAL NEGOTIATIONS

Overview of the WTO Agreement on Agriculture and State of Play of the negotiations

Overview of the WTO Agreement on Agriculture and State of Play of the Doha Agricultural Negotiations

By Maria Perez-Esteve, WTO Geneva

The presentation provided an introduction to the WTO Agreement on Agriculture and an elaboration of the current state of play of the Doha Agriculture Negotiations. The presentation can be seen at:

http://www.cuts-grc.org/ppt/WTO_Agreement_Agriculture-Maria.Perez-Esteve.ppt

AGREEMENT ON AGRICULTURE

By Atul Kaushik, Director, CUTS Geneva Resource Centre

This presentation gave the importance of agriculture to EAC. His presentation also touched on subsidization and protectionism in the OECD countries as well as giving an outlook of WTO negotiations in relation to the EAC food security and rural livelihood.

Presentation can be seen at:

http://www.cuts-grc.org/ppt/Opportunities_Challenges_EAC-AtulKaushik.ppt

Current Status of the WTO negotiations in Agriculture

The Agriculture Modalities Text of December 2008 is expected to remain the basis for further negotiations. It reflects the current convergence of positions, and contains detailed provisions under all the three pillars of market access, domestic support, and export competition. Though this is not a consensus text, most issues are close to resolution such as elimination of export subsidies, substantial reductions in trade distorting domestic support and significant reductions in tariffs by OECD countries. The challenge facing the EAC is that no commitments have been made on cotton subsidies, and preference erosion¹ remain unresolved.

Discussions on the presentations

The participants appreciated the detailed overview of the WTO agriculture agreement and the east African perspective given by the two presenters. Most participants stated that the biggest problem for east African countries was to overcome supply-side constraints. In the negotiations, participants hoped for adequate reduction of domestic support for developing countries to get access to new markets for agriculture products.

STANDARDS AND TRADE: CHALLENGES AND OPPORTUNITIES FOR THE EAST AFRICAN COMMUNITY (EAC)

Overview of Standards in the WTO: Avenues for EAC countries to deal with standards in the WTO?

By Maria Perez-Esteve, WTO Geneva

Maria Perez-Esteve gave an overview of the standards related aspects of the TBT and SPS Agreements and a brief introduction to the various means available to developing countries to benefit from the technical assistance opportunities provided by the WTO and other organisations to be able to better meet the standards in their markets.

Presentation can be seen at:

http://www.cuts-grc.org/ppt/Overview_Standards_WTO_STDF-Maria.Perez-Esteve.pdf

¹ Kenya being the only Non-LDC in the EAC is a beneficiary of preferences and hence has interest in the resolution of this issue.

Standards under the WTO

By Gloria Otieno, Institute of Social Studies, Holland.

Gloria Otieno informed that Africa is marginalized in world trade with share of world exports dropping by nearly 60% from 3.5% in 1970 to 1.5% by end of the 1990s which is equivalent to income loss of \$70b annually (*21% of GDP or five times its annual aid flows of \$13b*). So, improving trade and access to markets is therefore a very important constituent of Africa's development strategy. She gave a detailed assessment of the implications of various standards on EAC members and suggested some ways forward to meet the challenges.

Presentation can be seen at:

http://www.cuts-grc.org/ppt/Challenges_Opportunities_EAC_Countries-GloriaOtieno.ppt

Discussions on the presentations:

- ✚ Committees on SPS and TBT ought to define the role they could play in the EPA negotiations. It was, however, pointed out that these committees have a mandate on multilateral issues and not on regional issues.
- ✚ Private sector plays a crucial role in setting the standards since they directly determine their applicability through the strong buyer-seller relationships. More studies are required to assess the implication of this trend on developing country suppliers, particularly from the EAC region.
- ✚ The Standard and Trade Development Facility is a good facility for developing countries including in the east Africa region. SPS national committees within the relevant ministries in the region should constitute dedicated units make an assessment of the capacity building needs to to comply with transparency and conformity assessment requirements. That calls for the need for EAC partner states to collect data in standard development before seeking assistance or further negotiations.
- ✚ There is need to adhere to standards especially by locally building capacity on standards development. National level standards authorities need to identify their capacity building needs better.
- ✚ In the EAC region, there is need to pull together expertise, coordinate the players such as ministries and international standard setting bodies to ensure SPS requirements are met with ease. Such committees should also develop a procedure to monitor the process of international harmonization and coordinate efforts in this regard with the relevant international organizations involved in standard setting.
- ✚ WTO Members should be prevented from adopting or enforcing measures necessary to protect human, animal or plant life or health at higher than international standards, and the standards should be critically subjected to the requirement that these measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between Members where the same conditions prevail or a disguised restriction on international trade.

- ✚ EAC may encounter difficulties in complying with the SPS measures of importing Members especially the EU, and as a consequence in access to markets, and also in the formulation and application of SPS measures in their own territories. So, the EU ought to assist EAC meet these standards.
- ✚ To harmonize SPS measures on as wide a basis as possible, EAC Members should base their SPS measures on international standards, guidelines or recommendations which are commonly used internationally.
- ✚ EAC may introduce or maintain SPS which result in a higher level of SPS protection than would be achieved by measures based on the relevant international standards, guidelines or recommendations, if there is a scientific justification or evidence.
- ✚ EU should commit to offer technical assistance to the EAC either bilaterally or through the appropriate international organizations. This could be done in processing technologies, research and infrastructure and establishment of national regulatory bodies, which may take the form of advice, credits, donations and grants

REGIONAL TRADE AGREEMENTS: Challenges and opportunities for the WTO

By Patrick Low, Director, Economic Research and Statistics Division, WTO, Geneva, Switzerland

Mr Low informed that from 1958 to 2007, there has been an increase in the number of RTAs and this has increased North-south and south-south cooperation. To date, all the possible north-north integration has taken place and there are also a number of north-south integration with south-south integration lagging behind but showing fast movements except that a majority south-south cooperation have not been notified to the WTO. Multilateralism and bilateralism creates both trade diversion and trade creation while a customs union attributes a trade diversion for different country sectors.

Presentation can be seen at:

http://www.cuts-grc.org/ppt/Challenges_Opportunities_Development_Dimension.ppt

Regional Trade Agreements: Challenges and opportunities for the East African Community.

By Amb Nathan Irumba, CEO SEATINI-Uganda

This presentation Ambassador Nathan Irumba focused on the scope of the East African region

He identified the following challenges of implementing a Customs Union:

- ✚ National sovereignty sensitiveness
- ✚ Limited stakeholders awareness of the advocates of a customs Union

- ✚ Inadequate capacities and infrastructure
- ✚ Structural rigidities i.e. in the administration
- ✚ Overlapping membership i.e. Tripartite meeting EAC-COMESA-SADC

Presentation can be seen at:

http://www.cuts-grc.org/ppt/Challenges_Opportunities_EAC_Countries-AmbNathanIrumba.pdf

Discussion on the presentations:

- ✚ Studies show that regionalism will impact negatively upon the LDCs in WTO so it is imperative for the WTO to up-scale the interests of the LDCs.
- ✚ The asymmetry principle under the implementation of customs union makes regional trading arrangements a less preferred option for the weaker countries like those in the east African region.
- ✚ Compatibility of EPAs being negotiated with WTO provisions is not clear. WTO faces a huge challenge when there is power shift in international relations by world big powers entering into regional arrangements.
- ✚ Regionalism vs. Multilateralism. There are ways of attaining economic benefits if the gains offered by these two trading systems are synergised. Regionalism is fundamental to development in the EAC so, the EADB should catalyze regional development.

PRESENTATION: Aid for Trade

By Maria Perez-Esteve, Information and External Relations Division, WTO

Maria's presentation gave a detailed overview of Aid for Trade as a concept, the supply and demand side issues, the role being played by the WTO in fostering AfT and the objectives for the WTO AfT programme in 2009.

Maria also gave a brief presentation on the Standards and Trade Development Facility (STDF) Program, which the objective "Strengthen linkage between supply of and demand for technical cooperation."

Presentation can be seen at:

http://www.cuts-grc.org/ppt/Aid_for_Trade.pdf

PRESENTATION: Aid for Trade

By Victor Ogalo, CUTS International Nairobi Resource Centre.

The presentation on Aid for Trade Mr. Ogalo focused on the east African region.

Presentation can be seen at:

http://www.cuts-grc.org/ppt/Challenges_Strategies_EAC-VictorOgalo.ppt

Discussion on the presentations:

- ✚ There is need to diversify production in the EAC in order to maximize on the opportunities of an expanding global market.
- ✚ Intra-regional trade should be well enhanced to foster deep south-south economic integration.
- ✚ Aid for Trade should focus on specific areas /initiatives to assess its effectiveness rather than operate on a wider scope as has been the case.
- ✚ Transparency and accountability. This is imperative in the operation of Aid for Trade initiative by EAC governments.
- ✚ The influence of donor countries in Aid for Trade ought to be minimized in order for the operation of this aid to be more localized.
- ✚ There should be customs reforms in the EAC region, simplification of documentation and transparency in all the process and this ought to be part of the Aid for Trade Initiatives.
- ✚ Monitoring of Aid for Trade. Mechanisms employed in this watch takes place in three levels: International, regional and national levels. Global analysis and research on aid for trade activities should be employed to ensure dissemination of practices and increase transparency on the implementation.

PANEL DISCUSSION: “MULTILATERALISM AT CROSSROADS: WHICH WAY FORWARD FOR DEVELOPING COUNTRIES?”

The Panel was asked to address the main challenges and/or opportunities for your country in the following areas:-

- *the WTO/DDA negotiations*
- *the proliferation of bilateral and regional trade agreements*
- *the food, energy and financial crises*
- *climate change*
- *protectionism and security*

Tanzania.

By Dr. Beatrice Mkenda, University of Dar es Salaam, Tanzania

Proliferation of RTAs: Timetables for liberalization have targeted Common External Tariffs. Tanzania pulling out of SADC has been contentious since it was key to the establishment of SADC. If it had to pull out, then Kenya and Uganda must also pull out of COMESA so that they could move together under the EAC. On mechanisms for merging, she emphasised on Composition – the question was with whom to enter into an agreement? Factors such as level of industrialization in the EAC and COMESA have to be considered.

The food, energy and financial crises: Food shortages needs productive agriculture sector coupled with market access.

The land issue: Common market negotiations are on-going and this has been a live issue under the EAC common market protocol.

Bio fuels: There has been competition for food production and land.

The financial crisis: Deregulation and lack of oversight has been an experience. Lessons learnt is that push to liberalise without regulation is dangerous, and this lesson could be useful also in trade negotiations

Climate change: The biggest challenge is largely on human activities and the solution is to adapt cleaner technology most especially by large polluters.

Rwanda:

By Francois Munyantwari, Coordinator of ACORD Rwanda.

Rwanda as a landlocked country is benefiting from being an active member of the regional economic groupings such as EAC, COMESA and CEPGL as well as WTO.

Not only for cashcrops and commercial crops for exportation beyond the region but also to increase our food production for Matoke, potatoes, cassava, etc... across the borders

The EAC EPA is a great opportunity which should be expedited so as to benefit from the lessons of the EU regarding the common market and the common agriculture policy)

Rwanda would benefit from the DDA completion in terms of capacity building, infrastructures and market access.

Rwanda is an LDC, hence not escaping from the harsh competition in the global market and from the preferences erosion. The bigger the EAC market, the bigger the market offer but among the challenges are the high cost of investment, the lack of infrastructures in the area of transport, energy and standards

There is a potential market in EAC (120 millions of people) and in SADC region (400 millions people) but this market is not real; neither for EC nor for EAC countries, because today trade is about exporting flowers, coffee, tea, pyrethrum, few fruits and vegetables, Rwanda has not enough fish and minerals, services are being privatized to the foreign investors where the local private sector is not strong to compete in an open market. Trade is also about importing services, sugar, rice, food staples, textiles etc.

The fact is that the 80% of farmers in EAC region do not consume those products and are better in organic farming of matoke, cassava, yams, potatoes, etc..

The challenge is how aid for trade can lead to food safety and security in the region if the vision is to transform our agriculture into an industrial business and commercial agriculture

In Rwanda and the rest of EAC partner states, the common citizens are not sensitive to the trade policies and the current regional and multilateral negotiations. The parliaments, ministries, non state actors are being told what is going on but are not involved. Trade as done today is not pro-poor

We are saying that agriculture is the backbone of the livelihoods in EAC, but how much budget is invested in the agriculture sector? How much budget reaches the farmers and who really benefit from the economic growth? The big challenge remains the aid use, management and effectiveness.

Agriculture remains a risky business in the EAC region. Land loss and degradation is a major challenge (reference was made to the red colour of the river Kagera during the rainy season). The weather forecast is just a loss of money because the farmers are not using the provided information to improve the farming.

Kenya.

Mr. Felix Okatch

Director/Multilateral Trade Expert, APSEA Kenya

There is a need for support through agricultural subsidies especially on accessing credit facilities and farm inputs. Understanding the WTO trade rules and using them for the benefit of Kenya should be enhanced if opportunities are to be gained. There has been falling of export prices of key export commodities such as tea, coffee, pyrethrum etc. Supply constraints occur due to old farming methods, less research and extension services and other support initiatives. There has been an energy deficit on key sources such as fuel, hydro, geothermal and solar which are hampering growth and expansion of our economy. The above factors call for financial intermediation and credit expansion coupled with full participation in the DDA as well as seeking for national gains in the negotiations in agriculture, NAMA, services, Trips, Trade facilitation, environment, seek technical co-operation and aid for trade.

Based on the above challenges, the opportunities exist in regional markets such as EAC, COMESA, and AGOA where gains could be experienced. Kenya needs to fully participate in the Doha Development framework and improve trade facilitation infrastructure such as ports. There is also need to take advantage of financial integration- banking, insurance, capital markets as well as food supply constraints and produce more for consumption and trade. Finally, there is need to increase production of traditional exports like horticulture, tea, coffee, pyrethrum and services (tourism, transport and financial) and investing in energy services- hydro, fuel and geothermal be used efficiently to support trade.

To address climate change related issues, the following action has been and should be taken in Kenya:

- Preservation of forest cover of 1.9%, Mau, Abardeia ranges
- Carbon trading in export environment started in Kirinyaga and Siaya districts.
- Use of wood for making charcoal being discouraged.
- Use of solar energy should be encouraged as also other renewable energy sources.

- Clean ports, avoid spillage, etc for cleaner environment. Environment is a shared resource use it well in trade.
- Foster greater awareness and interest.

As regards the way forward for Kenya, he stated that in the multilateral trading system, Kenya needs to facilitate awareness in the government, private sector and civil society. This could help the stakeholders participate in discussion on state of Doha Agenda, trade protocol and work Programme as well as encourage dialogue and exchange of views and ideas among civil societies, academia and other interested parties nationally and regionally. There is also need for civil society to continue playing role of advocacy in cross border trade i.e. bilateral and multilateral trade issues. Taking a leading role in regional trade i.e. EAC, COMESA and extend involvement in bilateral trade with USA (AGOA), China, India, and Japan is vital for experiencing gains in the multilateral trading system.

In regard to SPS, Kenya should pay attention to support agriculture through domestic support for food and export by extending export subsidies to farmers for poverty alleviation and rural development. In order to realize this, there is need to look for, negotiate and get involved in need for technical assistance through advocacy from the civil society in the development dimension for the Doha Agenda and Framework. Lastly there is a need for a call for the government to strengthen trade negotiation team at Geneva.

Sudan

By Professor Abd Elgadir Salih

*Associate Professor, Faculty of Economic Studies
University of Khartoum,*

There are different concepts of multilateralism. Key are the allied forces and the United Nations. Ideological differences do occur in various existing blocks such as the Warsaw Pact and the NATO have been allied to the UN serving on the emergency force through troops to the Middle East. This, according to Sudan negates the rationale of multilateralism since the middle-East is Key trading partner.

Sudan has not witnessed growth of its economy as stipulated under the Washington Consensus. Countries such as Sudan which continuously experience unequal distribution of resources need another consensus.

Sudan debunks the idea that global instruments have been designed to benefit the interests of the third world or the poor. It's exactly the opposite case as the Sudan bears extra burdens from the rules of the WTO for not being a member

Structural adjustment programs in Sudan were neither negotiated nor supported by the World Bank nor the IMF and seemed to be harsh to Sudan's economy which opposes the importance of multilateralism.

Sudan is not a member of the WTO but adhered to the implementation of the structural adjustment program in the 1980s. Sudan is not a member of the WTO and its concern in the Doha Development Agenda is on an observer status and its also considering the interim EPA.

Sudan is also a member of numerous regional blocks such as NEDAD, COMESA, GAFTA, and IGAD with much focus shifting to the issues of security. Another crucial support needed by Sudan revolves around the current financial crisis where it is seeking intervention of the EU, OECD and the U.S

Concluding Remarks

Maria Perez-Esteve, WTO Geneva

It is imperative to take multilateral trade seriously in order to maximize on the envisaged gains. Issues regarding SPS Agreement on Agriculture, Technical Barriers to Trade, Regionalism and Aid for Trade could be vital in the multilateral trading system. In order to implement knowledge and action points, relevant documents for the WTO could be referred in the website (www.wto.org)

Vote of Thanks

Atul Kaushik, Director CUTS Geneva Resource Centre

In his vote of thanks, Atul thanked WTO and CUTS for their initiative in organizing the outreach event as well as all the participants for honouring the invitation. He made the following observations:

- ✚ The deliberations conducted in the outreach event are based on the feedback received from the region on the core areas where training would be useful and he hoped that participants benefited from the workshop.
- ✚ It will be useful for the participants to seek inputs from the WTO website and from CUTS in order to influence more the decisions made in the multilateral trading system.
- ✚ WTO provides ability not capacity to access markets and so it is important for countries to utilize the opportunities given to by WTO and take complementary action at the national level to convert the opportunities into wealth.
- ✚ Ethiopia and Sudan could get more information regarding the whole process of accessions from the Accessions Division of the WTO.

Tuesday, 28 April 2009**18:00-21:00 Reception Cocktail (Duma Room, Panafric Hotel)****Wednesday, 29 April 2009****08:30-09:00 Registration****09:00-10:00 Opening Session***Welcoming Remarks*

- Clement Onyango, Centre Manager, Consumer Unity & Trust Society (CUTS) ARC
- Patrick Low, Director, Economic Research and Statistics Division, WTO

Introduction to the Workshop

- Clement Onyango, Centre Manager, Consumer Unity & Trust Society (CUTS) ARC

Official Opening and Keynote Address

- Hon Omingo Magara, Assistant Minister of Trade of Kenya

Chair: **Mussa Bilegeya**, Programme Coordinator, TANGO Tanzania.

10:00-10:30 Coffee/Tea Break**10:30-12:30 Session One: State of Play of the Doha Round Negotiations: Challenges and Opportunities**

Presentation by	Issues to be addressed:
Patrick Low, Director, Economic Research and Statistics Division, WTO	<ul style="list-style-type: none"> ▪ <i>State of play of the Doha Round Negotiations</i> ▪ <i>Overview of the "development" dimension of the Doha Development Agenda (DDA)</i>
Anne Mwangi, Chair, NCWTO Kenya	<ul style="list-style-type: none"> ▪ <i>Opportunities and Challenges for developing countries, in particular EAC countries</i>

Chair: **Mr. Henry Richard Kimera**, Executive Director, CONSENT, Uganda.

Floor Deliberations

12:30-14:00 Lunch Break**14:00-16:00 Session Two: Trade in Agriculture**

Presentation by	Issues to be addressed:
María Pérez Esteve, Counsellor, Information and External Relations Division, WTO	<ul style="list-style-type: none"> ▪ <i>Overview of the WTO Agreement on Agriculture and State of Play of the negotiations</i>

Atul Kaushik, CUTS Geneva Resource Centre (CUTS-GRC)	<ul style="list-style-type: none"> ▪ <i>Relevance of the agriculture sector for the EAC: Impacts on employment and export earnings.</i> ▪ <i>Concerns about food security and sustainable rural livelihoods, particularly in view of the continued subsidization and protection of agriculture in OECD countries.</i> ▪ <i>What will be the impact of the latest DDA agriculture modalities on the EAC?</i> ▪ <i>How can international trade contribute to agricultural development, rural livelihoods and food security in the EAC?</i>
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Chair: **Catherine Kithinji**, Trade Officer, Ministry of Trade, Kenya
Floor Deliberations

16:00-16:30 Coffee/Tea Break

16:30-18:00 **Session Three: Standards and Trade: Challenges and Opportunities for the East African Community (EAC)**

Presentation by:	Issues to be addressed:
María Pérez Esteve, Counsellor, Information and External Relations Division, WTO	<ul style="list-style-type: none"> ▪ <i>Overview of Standards in the WTO: Avenues for EAC countries to deal with standards in the WTO?</i> ▪ <i>The Standards and Trade Development Facility (STDF)</i>
Gloria Otieno, Institute of Social Studies, Holland	<ul style="list-style-type: none"> ▪ <i>Meeting Standards: challenges and opportunities for EAC countries</i> ▪ <i>The impact of standards on EAC countries' exports</i>

Chair: **Kibre Moges**, Senior Research Officer, Ethiopian Economic Association (EEA)

Floor Deliberations

Thursday, 30 April 2009

09:00-11:00 Session Four: Regional Trade Agreements

Presentations by:	Issues to be addressed:
Patrick Low, Director, Economic Research and Statistics Division, WTO	<ul style="list-style-type: none"> ▪ <i>Regional Trade Agreements: Challenges and opportunities for the WTO</i> ▪ <i>How can WTO disciplines in this area be improved to safeguard the interests of developing countries?</i>
Amb. Nathan Irumba, SEATINI Uganda	<ul style="list-style-type: none"> ▪ <i>Landscape of Regional Trade Agreements in East Africa: Challenges and Opportunities for the EAC countries</i> ▪ <i>State of play of the EPAs negotiations with the EU</i>

Chair: **Miriam Omolo**, Institute of Economic Affairs, Kenya
Floor Deliberations

11:00-11:30 Tea/Coffee Break

11:30-13:00 Session Five: Aid for Trade

Presentations by:	Issues to be addressed:

María Pérez Esteve, Counsellor, Information and External Relations Division, WTO	<ul style="list-style-type: none"> ▪ <i>Overview of the Aid for Trade Initiative and Status of Implementation?</i> ▪ <i>What are the available monitoring mechanisms for implementation of aid for trade commitments?</i>
Victor Ogalo, CUTS ARC, Nairobi	<ul style="list-style-type: none"> ▪ <i>How can Aid for Trade be used to address the challenges faced by East African countries?</i> ▪ <i>What steps can East African countries take to benefit from this initiative?</i>

Chair: **Oduor Ong'wen**, Country Director, SEATINI Kenya

Floor Deliberations

13:00-14:00 Lunch Break

14:00-16:00 Panel Discussion: “Multilateralism at Crossroads: Which Way Forward for Developing Countries?”

Panel presentations (10 minutes for each):		Issues to be addressed
Abdel Gadir Salih, Khartoum University	Sudan	<i>Identify the main challenges and/or opportunities for your country in the following areas:-</i> <ul style="list-style-type: none"> ▪ <i>the WTO/DDA negotiations</i> ▪ <i>the proliferation of bilateral and regional trade agreements</i> ▪ <i>the food, energy and financial crises</i> ▪ <i>climate change</i> ▪ <i>protectionism and security</i>
<i>Francois Munyentwari ACORD Rwanda</i>	Rwanda	
<i>Felix Okatch, APSEA</i>	Kenya	
<i>Kibre Moges, EEA</i>	Ethiopia	
<i>Freddy Ndayishimiye, ACOBU</i>	Burundi	
<i>Beatrice Mkenda, Univ. of Dar es Salaam</i>	Tanzania	
<i>Amb. Nathan Irumba, SEATINI</i>	Uganda	
<i>Patrick Low, WTO</i>	Geneva, Switzerland	<ul style="list-style-type: none"> ▪ <i>What role can the WTO play to deal with the trade dimension of these challenges and how can multilateralism be strengthened?</i> ▪ <i>What can developing countries do to strengthen multilateralism as a means to promote growth and development for all?</i>

Chair: **Mr. Kassim Omar**, Vice President, Uganda National Chamber of Commerce and Industry

Floor Deliberations

16:00-16:30 Tea/Coffee Break

16:00-16:30 Closing Session

- María Pérez Esteve, Counsellor, Information and External Relations Division, WTO
- Atul Kaushik, CUTS GRC

Annex 2: List of Participants

29th -30th April 2009.

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