

## UNCTAD X

Bangkok, 12-19 February 2000

### MINISTERIAL MEETING OF LEAST DEVELOPED COUNTRIES

## COMMUNIQUÉ BY THE MINISTERS OF TRADE OF THE LEAST DEVELOPED COUNTRIES

*Adopted at UNCTAD X, in Bangkok, on 13 February 2000*

The Ministers of Trade of the least developed countries met in Bangkok on 13 February 2000 on the occasion of UNCTAD X. While underscoring the importance of UNCTAD X as it takes place at the turn of a new century and a new millennium, the Ministers noted the challenge as well as the opportunity offered by the occasion for the international community to address the shortcomings of the external environment and the constraints it poses on the development efforts of the developing countries, particularly the least developed among them.

The Ministers reviewed the process of integration of their economies into a rapidly globalizing and liberalizing world economy as the world enters the twenty-first century. They reiterated their concern at the continuing marginalization arising from this process as reflected in their low and declining share in world trade, investment and output, further aggravated by their heavy external debt burden and falling ODA. As the **1999 LDCs Report** clearly highlights, these processes have added to the familiar supply-side constraints in their countries as they attempt to adjust to the new, more competitive international environment. The sum total of these factors has been their adverse impact on the already worsening socio-economic situation and structural weaknesses inherent in the LDCs' economies. In this regard, the Ministers called for intensified efforts by the international community to support them in their struggle to reverse these trends by overcoming the inherited disadvantages and structural constraints and put their economies on a sustainable growth path.

They underlined that beneficial integration of the LDCs into the global economy and the multilateral trading system as its main driving force would require concrete actions by the LDCs and their development partners to strengthen LDCs' supply capacities, inter alia through the development of physical infrastructure and human resource development, improved market access, and economic space within which appropriate policy instruments could be deployed to strengthen the competitiveness of sectors of strategic importance for the development of their trade. In this context, they expressed concern at the delay by their trading and development partners in providing bound, duty-free and quota-free market access for all products originating in the least developed countries, as well as adequate ODA, comprehensive debt relief, encouragement and promotion of FDI flows and technology transfer. The Ministers strongly believed that a combination of these measures would have a clear positive impact on LDCs' socio-economic performance and would render their pursuit of domestic economic reforms sustainable. Free market access would only be meaningful if accompanied by relaxed and favourable rules of origin. Ministers called for more stable global prices for commodities to ensure predictable flows of export revenue for their development. In this context, Ministers called for the setting up of a mechanism for the review of price structures of LDCs' exports.

The Ministers attached importance to a rule-based multilateral trading system. A rule-based multilateral trading system provides for predictability and security of market access, which small trading nations such as LDCs need most. They stressed, however, that the formulation of new rules must take into account their special development needs