

Africans go to Geneva with dev't

By Evans BOAH-MENSAH

African economies have resolved to push development to the core of trading agreements when trade ministers around the world meet at the eighth World Trade Organisation (WTO) Ministerial Conference in Geneva in the next couple of weeks.



At a workshop in Accra ahead of the conference, the African economies underscored the need to bring back development issues to the negotiation table in order to make the multilateral trading system responsive to the needs of African economies – especially in the current challenging global economic environment – to stimulate economic growth, employment and development.

The Chief Negotiator of the African Group in Geneva, Shree B.C Servansing, explained that development has become the sole agenda for the African countries at the WTO level because there are attempts to reduce in importance development in global trading as pressed at the Doha negotiation a decade ago.

“One major issue that is of interest to the whole African region is development. The Doha development negotiation has development at the heart of its concerns. Unfortunately, in view of the fact that those negotiations have stalled for the past 10 years, it seems that the development dimension of it has been relegated to the background.”

“So our major concern and major priority in this upcoming 8th WTO Ministerial conference is how we can reclaim the concept of development in the multilateral trading system and negotiations, and how to put development back on the agenda of the WTO as an organisation,” he said.

The WTO’s 8th Ministerial Conference (MC8), comprising 153 trade ministers, scheduled to take place in Geneva from December 15-18, is expected to discuss food security, exchange rate stability and related issues, anti-protectionism measures amid an expected sluggish global economy

next year, and concerns over the Doha Round of trade talks.

The conference will also discuss measures to strengthen the WTO system, as member-states appear to have all but accepted that hopes are slim of concluding a multilateral agreement from the so-called Doha Round of talks in the next few years. Some countries have urged the WTO to launch a new platform for negotiations, including having a plurilateral agreement among a majority of countries rather than waiting for consensus agreement from all member-states or seeking an “early harvest” agreement to proceed on some issues.

The African countries have drafted a number of proposals which they hope will help to push development to the heart of the global trading system and get the attention of the topmost decision-body of the WTO.

Mr. Servansing added: “We hope to do this through a number of proposals we have prepared. First of all, by maintaining and reinvigorating the integrity of the Doha mandate, which was based on development when it was agreed upon in 2001.

“Suddenly, we are making a number of proposals in the WTO institutional area where we are questioning reinvigorating the setting of committees that have as a major function a development dimension.

“At the multilateral trade negotiations, Africa is one of the best organised and displays a lot of solidarity. At least, we have one programme and one agenda that we have set. The various African countries do not negotiate differently in the multilateral trade negotiations.”

EPA not a priority for Africa – AU

By Michael Sarpong BRUCE

The Deputy Chairperson of African Union (AU) Commission, Erastus Jarnalese Onkundi Mwencha, says the structure of Economic Partnership Agreement (EPA) between the continent and the European Union is not in Africa’s advantage.

“Our advantage is regional integration. Can EPA help us to integrate our markets? If anything it will stall us. I don’t think EPA is a priority for Africa,” Onkundi Mwencha told *Business & Financial Times* in an exclusive interview on the sidelines of the 7th ordinary session of African Union Ministers of Trade conference in Accra.

He explained that regional integration will help develop larger markets, foster greater competition and improve the policy stance in many areas of the development agenda.

The goals of cooperation and integration have been highly sought-after by African nations since their independence, and high hopes have been evoked that African countries will enlarge their economic space for production and trading among themselves, quite apart from enabling them to rise to the challenge of an increasingly competitive global economy that includes powerful regional economic blocs.

Yet progress towards increased intra-African trade as a major objective of this integration agenda has been less than impressive.

“There is not enough trade



Erastus Jarnalese Onkundi Mwencha

among African countries. The structures of our economies have been intended to produce raw materials, and we export these raw materials. “What is important now is for Africa to add value to raw materials and use Africa as a base for industrialisation and trade,” he said.

He added: “There is a huge consumption capacity in Africa. Our trading volume is now 1 trillion which we can use to propel growth in the region.

“But we must improve our competitiveness; look at infrastructure, quality of products; and look at trade facilities, and change our mentality.”

On average over the past

decade, only about 10-12 percent of African trade has been with African nations, whilst 40 percent of North American trade is with other North American countries, and 63 percent of trade by countries in Western Europe is with other Western European nations.

Currently, African economies are very heterogeneous in terms of applied and faced protections. Some Africans impose an average tariff of 13.3 percent on their imports coming from other African countries, more than the average protection on the continent of 8.7 percent.

For nearly one-third of African countries, both imposed

and faced protections are on average lower than the relatively high averages for the continent.

The rest of the countries either are more protectionist than Africa on average, or have a more difficult access than the African average. One-quarter of the countries are on average more protectionist and face more trade barriers than Africa as a whole.

Onkundi Mwencha believes Africa has the capacity trade within itself but must start to address what makes trade easy.

He told B&FT that the January 2012 AU summit of Heads of State and Government will focus on the theme “Boosting Intra-Africa Trade”.

He said the choice of the theme is both appropriate and timely, given challenges facing trade, and there is need to come up with strategies to improve the situation.

On the issue of the late of Libyan President, Muammer Gaddafi, he said the AU was on the spot from day-one. “The question is whether we did enough. We did what we could under the circumstances.

“Gaddafi promised us to step-down; but you know, Gaddafi says one thing and does another. The AU has never believed in force to settle disputes,” he said.

Gaddafi died of wounds suffered as fighters battled to complete an eight-month uprising against his rule.

His killing, which came swiftly after his capture near Sirte, is the most dramatic single development in the Arab spring revolts that have unseated rulers in Egypt and Tunisia, and threatened the grip on power of the leaders of Syria and Yemen.

NLC to mediate on Stanchart’s salary impasse

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The matter, which has been dragging for some months now, reached a head when the Bank’s staff on September 20, 2011 wore red bands to highlight the case and register their protest over management’s refusal to accede to their request.

The NLC then intervened and asked the staff to remove the red bands, since the Labour Act frowns on such actions, and rather return to the negotiating table to resolve the matter.

The NLC tasked the Standing Joint Negotiating Committee, which is a committee representing both management and staff, and a representative from the UNICOF to seek amicable settlement within one month.

B&FT gathered that the committee met eight times within a month, and after another futile meeting last week Tuesday it was decided that the issue should be sent to the Commission for arbitration.

When contacted, Nii Okai Nunoo, the Area Head, West Africa, Corporate Affairs of the Bank, confirmed the story and said, unfortunately, the committee could not bring the matter to a closure.

He explained that management is proposing a 12 percent increment across the board for staff within the level of between Band 6 and Band 9, while those on Band 10 will receive a

20% pay rise. In other organisations Band is referred to as grade.

He further explained that aside from the 12 percent proposal, management is introducing a meritocracy reward system known as Performance for Pay whereby staff members can earn from five, three, two percent more, depending on their performance.

“We use bands to grade our staff, and management decided that for those who are on band 10, their salary levels should be increased by 20 percent just to narrow the gap between the band 9 and band 10. The band group is

normally fresh university graduates who have finished national service.

“The Bank is committed to ensuring that this matter is brought to a closure as quickly as possible. The negative side is that arbitration takes a much longer time because the process is very thorough. I hope that people realise that it’s not that much fun, even though it would guarantee a settlement, it is a grinding process and will grind everything into smooth powder.

“The key thing for us is that there is still a cordial relationship so we can leverage on it to seek an amicable settlement as soon as

possible. From both sides we have this expectation that something positive can happen.”

On the question of the staff response to the new development, he responded: “Our staff is very decent and professional, and they have carried themselves with decorum.

“We always say that in Standard Chartered Bank our people are our greatest assets. If it were to be in other organisations people would have taken the matter into their own hands, and gone overboard. We agree to disagree and everybody has a responsibility which needs to be respected.”



The Minister of Food and Agriculture, Kwesi Ahwoi, thanking Mr. Stephen Nsarko, Retail Sales Coordinator, after receiving a number of items worth GH45,000 from Appliance Masters to support this year’s Farmers Day. The items included

Beko-brand fridges, fans and kettles.

Presenting the items, Mr. Stephen Nsarko appreciated the efforts of farmers and fishermen for their enormous contribution to feeding Ghanaians and supporting the economy.

