

**STATEMENT BY H.E. WILLIAM RUTO, DEPUTY PRESIDENT OF THE
REPUBLIC OF KENYA, ON “WHAT TRADE MEANS FOR AFRICA”
DURING THE WORLD TRADE ORGANIZATION (WTO) PUBLIC
FORUM: 1ST OCTOBER, 2014, GENEVA SWITZERLAND**

Amb. Roberto Azevedo, Director General, World Trade Organization,

Mr. Ban Ki-moon, Secretary General of the United Nations,

Excellencies Ambassadors

Distinguished Participants

Ladies and Gentlemen,

I am honoured to address this important assembly. I consider this opportunity a profound honour for both the people of Kenya and the entire African continent.

"Why Trade Matters to Everyone" is a most appropriate theme because it introduces the people and their interests right into the heart of the global discourse on trade.

It means that the World Trade Organisation (WTO) can no longer be seen as just a forum for the arbitration of competitors' interests; it is also a proper place for global leadership to consider the legitimate aspirations of all people, regardless of their origin.

Ladies and Gentlemen,

This theme therefore suggests that the world has drawn important lessons from recent history, and the need to incorporate the human element into trade discussions.

Trade is as old as human society. Indeed, trade both defines and is defined by human activity. It is a great opportunity to bring together parties who have, yet are at the same time in need.

The mutuality of this condition enables these parties to manage their needs and surpluses in a way that encourages production. Exchange is vital:

exchanging what we have for what we need is the essence of trade. This is true for trade at all times in all places. It is a critical feature of prehistoric bartering as well as modern, hi-tech complex and sophisticated transactions.

Ladies and Gentlemen,

Trade has shaped our world in many indelible ways. The acceleration of global exploration was driven by the need to find new trading routes and markets to service various industries.

The evolution of nations and states was similarly informed by important trading considerations: access to valuable commodities and the control of important trading routes. Although trade issues were mainly articulated by the merchant classes, there is no doubt that trade has exerted great influence on the lives, thoughts and activities of all people.

For a long time, Africa was seen as a vast repository of resources needed by trade and industry throughout the world, and nothing more. These resources were perceived to belong to no one; indeed, the continent was generally perceived to be uninhabited and ungoverned. As a result, trade, which led to eventual state formation in Africa did not in any way take into account the views and interests of Africa's most critical constituency: the African people.

Ladies and Gentlemen,

Until recently, trade relating to Africa bore two constant features. First was an aggressive regime of exploitation by global consensus where African resources did not translate into meaningful value for Africans. Second was the tradition of completely discarding the validity of legitimate African aspirations. These attitudes catalysed impunity in global trade that drove Africa right to the bottom of world ranking in anything meaningful, despite possessing vast resources.

Today, however, things are different. Africa's resources and population are increasingly putting the continent ahead in terms of global importance. The democratization of many states and international institutions and processes means that every nation, and every person counts. Globalisation has extended the reach of single individuals, intensifying the role of our peoples in world affairs.

In turn, this therefore means that the interests of 1.1 billion Africans is vital to global governance, and that activity on a global scale also affects the individual. Trade matters to the people of Africa, because trade matters to everyone.

Ladies and Gentlemen,

African Leaders have recognized that trade is important for national development and the integration of the continent into the global economy. It is for this reason that African Leaders through the African Union have made clear pronouncements on the need to promote trade in the continent by encouraging greater intra - Africa trade through economic integration. The building blocks for this integration are the regional economic groupings, which are expected to eventually give way for an African Continental Free Trade area by 2017.

Ladies and Gentlemen,

Trade is important for the continent and is viewed from the following perspectives;

First, Trade Unifies people and creates peace and stability; The need to trade has inspired African Leaders to think of how to unite the Continent and it's people by designing such grand projects like the Lamu-South-Sudan-Ethiopia Transit Corridor (LAPPSET) which is intended to connect Africa from the Indian Ocean in Lamu to the Atlantic Ocean in Duala Cameroon. This will provide a land bridge across the continent. In addition to this, there are other many regional and intra-regional infrastructure projects intended to connect the continent such as the road from the seaport of Durban in South Africa to the seaport of Alexandria in Egypt at the Mediterranean Sea passing through many countries in the African Continent.

A part from road infrastructure there are also other energy infrastructure projects across the African Continent intended to promote interconnection of the Continent with power in form of electricity so that power can be supplied from power surplus to power deficit regions of the continent and hence spur economic development.

Second, Africa sees trade as an instrumental tool to bring equity in the African society; As trade grows, we expect it to create wealth for the African nations. Many African governments are striving to put in place policy measures to redistribute this wealth, which will lead to prosperous and equitable societies across the continent.

Third, Africa considers Trade to be an important tool for wealth creation and economic growth. This is at both community and country levels. When people trade they are able to get goods and services to satisfy their own needs and those of their nations and hence create opportunities that are fundamental for improvement of livelihoods.

Fourth, We expect Trade to create employment opportunities in Africa. When a business thrives it employs the owner and the family. As the business expands, it will require additional labour and skills, which necessitates employment of people with the needed skills. This employment creation is important as it ensures that people share in the prosperity and wealth created through trade.

Fifth, Trade has assisted to spur innovations in Africa; Let me give an example of my Country, Kenya. When the Telecommunications sector was liberalized, many mobile phone firms came up to take the advantage and invested in voice telephony, which later moved to money transfer services. Safaricom Kenya Ltd pioneered in this field and came up with a money mobile transfer service that is currently being replicated in many parts of the African continent and beyond. The innovation popularly known as *M-pesa* has revolutionized the way money is handled and transferred in Kenya.

It has helped many rural people without access to financial services to do so by just owning a simple mobile phone handset and being within a region where the mobile service network is available. By appointing agents in rural towns to accept deposits and pay out money for a small fee it has enabled many rural people to access money where conventional banking has not reached.

Sixth, Trade is a useful tool in reducing tension and conflicts between nations and people in the Continent; The various regional economic groupings in Africa in collaboration with the African Union have become instrumental in resolving conflicts among their members thus reducing tension and creating peace in the respective regions.

Ladies and Gentlemen,

Trade does not take place in a vacuum. It requires an environment that is secure and where people are guaranteed of their personal rights both intellectual and material rights.

It is for these reasons that many African Governments have tried to put in place laws and regulations that protect personal rights and guarantee ownership of property and wealth, which cannot be taken away without proper compensation.

At the regional economic groupings in Africa robust mechanisms have been put in place to provide for disputes resolutions through government recognized mechanism including regional legal courts for litigation where necessary.

Ladies and Gentlemen,

As Africa intensifies efforts to increase intra Africa trade, which currently stands at 10%, compared to 60%, 40%, 30% intra-regional trade that has been achieved by Europe, North America and ASEAN respectively, the continent is cognizant of the fact that this is an interdependent world and Africa cannot trade in isolation. It is for this reason that the continent attaches great importance to the multilateral trading system and the principles that it stands for. This explains why many African Countries are Members of the World Trade Organization (WTO) while some who are not members are at the various stages of accession.

Ladies and Gentlemen,

Regarding the Doha Round of Trade Negotiations, we in Africa are concerned that members have not been able to conclude the negotiations in over a decade (13 years), which has placed development at its core. The new momentum from the WTO Bali Ministerial Conference in December 2013 should be taken forward to achieve an outcome that addresses the development needs and aspiration of the developing and least developed countries. We urge the Membership to expedite the preparation of the post Bali Work programme that will be instrumental in accelerating the process towards the conclusion of the Doha Round.

Thank You.