

OECD gets new Secretary-General

The OECD's 30 member countries appointed Angel Gurría as Secretary-General of the Organisation from 1 June 2006, in succession to Donald J. Johnston. Born on May 8th, 1950, in Tampico, Mexico, Angel Gurría comes to the OECD following a distinguished career in public service, including two ministerial posts.

As minister of foreign affairs from December 1994 to January 1998, he made dialogue and consensus-building one of the hallmarks of his approach to global issues. As Mexico's minister of finance and public credit from January 1998 to December 2000, he steered Mexico's economy through a change of Administration without a repetition of the currency crises that had dogged previous such changes.

During this time, Mr. Gurría developed a close relationship with the OECD, overseeing the initial years of Mexico's membership and chairing the OECD's Ministerial Council Meeting in 1999. Previously, he was part of the team that negotiated Mexico's admission to OECD.

Mr. Gurría holds a B.A. degree in Economics from UNAM (Mexico), and a M.A. degree in Economics from Leeds University (United Kingdom).

He served as Mexico's Permanent Representative to the International Coffee Organisation, based in London, from 1976 to 1978, and held various roles in the financial area of Mexico's Federal Electricity Commission, National Development Bank (Nafinsa), Rural Development Fund, and the Office of the Mayor of Mexico City. Following a 14-year tenure at Mexico's Finance Ministry from 1978 to 1992, he became President and CEO of Mexico's export-import bank, Bancomext in 1992. In 1993, Mr. Gurría was appointed President and CEO of Mexico's national development bank, Nacional Financiera, specialised in supporting small and medium-sized enterprises.

He is married to Dr. Lulu Quintana and they have three adult children.

Source: OECD Media Relations Division: news.contact@oecd.org

Calls for more intra-African trade.

Even if the latest round of the protracted Doha trade negotiations broke down, it was imperative for developing countries to deepen trade among themselves, the World Economic Forum summit heard on Wednesday.

South Africa's Trade and Industry Minister Mandisi Mpahlwa told delegates attending the summit in Cape Town: "And if we do that, the business community in the developed countries will wake up, because we shall not be opening up our markets to products from those countries, because we have failed to reach agreement on the multi-lateral process". In this context the question of strengthening intra-African trade, and eliminating blockages to higher levels of trade, was vital.

Mpahlwa was speaking at an update session of the Doha negotiations at the three-day WEF summit on Africa, which looked specifically at what the latest round of negotiations held for the continent.

According to the programme, a one percent increase in Africa's share of world trade could translate into more than \$70-billion a year in export revenues, more than four times what the continent receives in foreign aid. The Doha development agenda, which the World Trade Organisation (WTO) agreed to in 2001, is aimed at furthering trade liberalisation while giving developing nations more access to global markets. Mpahlwa said contacts between African trade ministers were limited, possibly only ahead of WTO negotiations, but hardly ever to discuss consolidation of intra-African trade. "How do we break down the barriers among ourselves so that we can free up the trade within the African continent." Mpahlwa said issues of regional integration did not come naturally, because for it to work meant "sovereign states incrementally giving up some sovereignty" to make regional integration a reality.

Valentine Rugwabiza, WHO's deputy director-general, said she fully supported Mpahlwa's sentiments on regional integration, but tariffs between African countries did not support this integration. "Regional integration, if it is to become effective... And the tariffs are lower between African countries, then regional integration will become the building block for global integration," she said. Rugwabiza said should

the next Doha round fail it would lead to increased bilateral and free trade agreements, initiated by "powerful" countries. In this scenario, developing countries would be left out and further marginalized.

Jerry Vilakazi, CEO of Business Unity South Africa, said country-to-country agreements might work for the short-term, but in the long-term it was necessary to create a global environment beneficial to developing countries. "It is very important from a business perspective that this round of negotiations is not allowed to collapse and to fail ... there is so much at stake, which if in the short-term we don't manage to reach agreement on some of the issues, at least what we should achieve is to keep the momentum going." Vilakazi said just the liberalisation of agriculture, one of the main stumbling blocks to culmination of the Doha round of negotiations, could see about \$200-billion flowing to poorer countries, many in Africa.

Reuters. 1 June 1, 2006, South Africa

US mounts pressure on Asia Pacific and China

The United States put pressure on China and other Asia Pacific trading partners on Thursday to take the lead in plans to reduce subsidies and tariffs that would help salvage a round of global trade talks.

World Trade Organization Director General Pascal Lamy, who is attending an Asia Pacific Economic Cooperation (APEC) trade ministers meeting in Vietnam, has set the end of June as a deadline for countries to agree on formulas to lift barriers in agriculture, manufacturing and services.

"These economies need to be doing the most to contribute to success" of the world trade talks known as the Doha round, Deputy U.S. Trade Representative Karan Bhatia told reporters on the sidelines of the June 1-2 APEC gathering in Ho Chi Minh City. "And China has been an enormous beneficiary of global market access and so it's going to have to play a significant role in bringing this round to a successful conclusion," he said.

The 149 WTO members were deadlocked after four years of negotiations on the Doha round aimed at reducing trade barriers. WTO ministers were due to meet in Geneva starting June 26, setting the stage for further negotiations in July in the hopes that a final deal could be sealed by the end of the year.

At a separate briefing, another senior U.S. trade official said the 21-member APEC, which accounts for about 60 percent of world economic output and 47 percent of global trade, had made progress on agriculture, but he declined to give details. What the APEC ministers this week have agreed is that they will reaffirm this process of broad-based reform but were particularly concerned about lack of market access reducing tariffs for industrial products and agricultural products," said Jason Hafemeister, deputy U.S. trade representative for agriculture affairs.

"In agriculture, they will say progress has been made in terms of setting a date to eliminate export subsidies," he said.

At the close of Thursday's talks, Lamy declined to comment. The United States and Japan were also pushing for a regional initiative to strengthen efforts to combat trade in counterfeit and pirated goods, the U.S. trade office said.

The 21 APEC economies are Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, the Philippines, Russia, Singapore, Taiwan, Thailand, the United States and Vietnam.

Hosts Vietnam and the United States on Wednesday signed a new trade deal that was expected to open the communist-ruled Southeast Asian country's markets in several sectors and pave the way for it to join the

world's biggest trade body.

Lamy said on Thursday that Vietnam's process was "looking good, but with a bit more to come." Vietnam wants to finish formalities with the Geneva-based WTO in July.

Source: The Mail online 1 June 1, 2006, Reuters Vietnam.

EU ups Aid to ACP Countries

The European Union announced a 35 percent rise in development aid to poor countries in Africa, the Caribbean and Pacific (ACP) on Thursday as part of efforts to stem migration into the wealthy bloc.

The aid package to be shared among the 77 ACP countries over the 2008-13 period will total 22 billion euros. The announcement was made as EU and ACP ministers met in Papua New Guinea to discuss migration together for the first time. "Managing migration for the benefit of development is a new priority of EU development assistance," the EU's executive Commission said in a statement.

Governments across Europe are under growing pressure to curb illegal immigration. Spain is struggling to deal with an influx of African migrants to its Canary Islands, while other Mediterranean states such as Italy face similar problems. The new development cash will be released just as the EU and ACP countries enter final talks on economic partnership accords designed to promote trade and development.

Separately, ACP countries are lobbying hard for the EU to increase aid to their sugar sectors to help them weather price-cutting reforms by the bloc to its import regime. They stand to lose 265 million euros a year from the reform. The Commission has offered a total 165 million euros for the 2007-13 period, an amount they say is insufficient.

Reuters 1 June 1, 2006, Brussels

