



## THE THIRD MEETING OF THE BRICS TRADE MINISTERS

DURBAN, 26 MARCH 2013

### Joint Communiqué

BRICS Trade Ministers met for the third time in Durban, South Africa on the eve of the Fifth BRICS Summit convened under the theme “**BRICS and Africa: Partnership for Development, Integration and Industrialisation**”. The Ministers held open and constructive discussions under five main headings.

#### **1. Global Economic Developments**

The Ministers expressed concern that global growth weakened considerably during 2012, and is expected to remain subdued. They observed that recession, fragile growth and deflationary conditions in some advanced economies are at the root of the global economic slowdown, and that the impact is spilling over through weaker demand, a significant slowdown in international trade growth, and heightened volatility in capital flows and commodity prices.

The Ministers observed that growth in the BRICS and in some other economies, while less robust than before the global downturn, continues to contribute significantly to the global economic recovery. Ministers welcomed the fact that growth in intra-BRICS trade and investment continued apace despite current circumstances, and they expressed their commitment to continue to work to expand and deepen these increasingly vital and mutually beneficial economic relations.

Given the global slowdown, the Ministers reiterated the need to resist protectionist tendencies and to promote international trade as an engine of economic growth and development, while respecting the WTO consistent policy space available to developing countries to pursue their legitimate objectives of growth, development and stability.

## **2. The WTO and Doha Development Agenda**

The Ministers reaffirmed their view of the centrality of the WTO for a transparent and inclusive rules-based multilateral trading system. They emphasized the continued relevance of the development mandate agreed to at Doha in 2001, and reiterated their commitment to a conclusion of the negotiations based on the progress made since then.

While the Ministers indicated a willingness to explore outcomes in specific areas where progress is possible, they insisted on preserving the centrality of the Doha development mandate and the principle of the single undertaking. They expressed concern at initiatives that may undermine the coherence of the Doha Development Agenda and that deviate from the principles of multilateralism.

BRICS Trade Ministers agreed to strengthen their collaboration to ensure that any meaningful deliverables reached by the Ninth WTO Ministerial Conference in December 2013 are balanced and addresses key developmental concerns of the poorest and most vulnerable WTO members. They also proposed that the Ministerial Conference should re-affirm Members' commitment to conclude the Doha Development Agenda on the basis of its development mandate and the single undertaking.

The Ministers noted the process underway for the selection of a new WTO Director-General in 2013. They concurred that the WTO requires a new leader who demonstrates a commitment to multilateralism and to enhancing the credibility and legitimacy of the WTO including through a commitment to support efforts that will lead to an expeditious conclusion of the Doha Development Agenda.

To address all these and other WTO matters, the Ministers instructed their Ambassadors to the WTO to strengthen and deepen their collaboration and coordination on multilateral trade issues discussed in various international fora.

## **3. Cooperation in other Multilateral Fora**

The Ministers reaffirmed their commitment to cooperate in other multilateral fora where trade and investment issues arise, such as the G20, UNCTAD, UNDP, UNIDO and WIPO, amongst others.

The Ministers observed that in the current global context of economic difficulty and the impasse in the Doha Development Agenda negotiations, UNCTAD could play a vital role in promoting cooperation among Governments and relevant stakeholders in a range of areas relevant to trade and investment from a development perspective. The Ministers agreed to support UNCTAD in this role.

The Ministers believed that the impending appointment of a new Secretary General in UNCTAD, coinciding as it will with leadership changes at the WTO, offers the opportunity to strengthen the working relationship between the two organisations. Such cooperation could aim to ensure that the multilateral trading system is better equipped to deal with old and new challenges confronting the international community in the twenty first century.

#### **4. Intra-BRICS Cooperation**

The Ministers agreed that current circumstances required new principles, concepts, models and mechanisms to strengthen intra-BRICS cooperation. They emphasized the need to work together to build on the respective strengths of their economies. They agreed this could be achieved by identifying complementarities in key growth sectors and to cooperate to build the industrial capacities of their respective economies. This could be advanced by further exchanges between industries, trade and investment promotion events and enhanced investment and technical cooperation. Ministers also agreed BRICS countries should establish approaches and mechanisms that encourage mutually beneficial negotiated solutions amongst the BRICS countries when trade frictions arise.

The Ministers endorsed the work of the Senior Officials meeting under the Contact Group for Economic and Trade Issues (CGETI) on trade and services data; cooperation on the development of Small and Medium Enterprises; and Investment. They instructed the CGETI to report progress at the next opportunity. They also welcomed the extensive work programme on customs cooperation and trade facilitation initiated under the BRICS framework that could help to boost intra-BRICS trade.

The Ministers also endorsed the BRICS Trade and Investment Cooperation Framework developed by the CGETI and instructed the CGETI to implement the Framework and build on it in future.

The Ministers welcomed the convening of BRICS Business Forum where approximately 600 companies from the BRICS countries were present. The Forum offered a platform for companies and policy makers to interact and network to promote cooperation in infrastructure development, mining value added production, finance, agriculture and green energy.

The Ministers welcomed the launch of the BRICS Business Council that will bring together business associations from each of the BRICS countries and manage engagement between the business communities on an ongoing basis.

### **5. BRICS Partnership to Support Africa's Development Agenda**

The Ministers recognized that Africa's development prospects are vastly improved, that it is a continent of growing economic opportunity, and that it is increasingly a destination of choice for investors. Africa is now the second fastest growing continent in the world with enormous mineral and agricultural resources, growing markets and a young and dynamic population.

Ministers also recognized that to fully realise its potential, Africa will need to pursue structural transformation that shifts its current growth path onto a more sustainable industrial development path. This requires greater effort and support to the regional and continental integration agenda to integrate markets, spur the development of cross border infrastructure and diversify production bases.

While observing the growing cooperation between individual BRICS countries and African countries across the African continent, BRICS Trade Ministers committed to support Africa's development agenda by strengthening their cooperation in the search for synergies for investment in Africa's infrastructure, agriculture and manufacturing sectors.

Enquiries:

Sidwell Medupe-Departmental Spokesperson

Tel: (012) 394 1650

Mobile: 079 492 1774

E-mail: [MSMedupe@thedti.gov.za](mailto:MSMedupe@thedti.gov.za)

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