Rich companies urged to dismantle subsidy

Story: Kojo Kwame

New York, USA

THI Vice-President, Alhaji Aliu Mahama, has called for the dismantling and lowering of subsidies and tariffs among the rich and developed nations. He said such initiatives would help uplift and safeguard on the global, equitable and non-discriminatory trading and financial systems, which will pave the way for the realisation of the objectives of alleviating hunger and poverty in developing nations.

Presenting a paper at the 5th Session of the United Nations General Assembly in New York, USA, the Vice-President said the inability of long-term initiatives to reduce hunger and poverty by the year 2015, could not be achieved without a fundamental restructuring of the global trade system, particularly in agriculture.

He said the concerns of developing countries had been reiterated in the General Assembly over the years and voiced the need of developed nations and their partners to act now.

For developing countries, the Vice-President said, although long-term planning would be imperative without any sustainable and satisfactory debt relief.

Despite the progress recorded in the implementation of the enhanced Heavily Indebted Poor Countries (HIPC) Initiative and the provision of substantial debt relief by bilateral and multilateral creditors, achieving long-term debt sustainability and at the same time, reducing poverty as targeted, remains a major challenge for many African countries, he said.

Alhaji Mahama, therefore hailed the initiative of the British Prime Minister, Tony Blair, in setting up the Africa Commission.

He noted that Official Development Assistance (ODA) continued to play an essential role in complementing other sources of financing for development and social services.

The Prime Minister, Mr. Blair, in his address to the African summit, observed that the African Union was a critical ingredient for Africa's development and called on the UK to do more.