

WORLD TRADE ORGANIZATION

WT/MIN(09)/ST/59
1 December 2009

(09-6131)

MINISTERIAL CONFERENCE
Seventh Session
Geneva, 30 November - 2 December 2009

Original: English

POLAND

Statement by Mr Marcin Korolec Under-Secretary of State, Ministry of Economy

Let me first of all pay tribute to the Government of Switzerland, authorities of Geneva and the WTO Secretariat for organizing this Conference. It is a great honour and privilege to be here and contribute to the discussion which should pave the way to the new perspectives of the world economy, contribute to overcoming the current economic and financial crisis and describe the new challenges to the World Trade Organization in the coming years.

We are still observing the effects of the financial crisis which struck all major world economies, also those in Europe. Poland is one of the few countries which succeeded to resist recession and where the consequences of the economic crisis are limited, at least at present, to a slight decline in employment and a relatively small growth of unemployment. Therefore, according to the latest figures presented by OECD in the beginning of November, Poland should manage to attain a positive 1.4 GDP growth in 2009 which is unique among other European economies. According to the OECD analyses, in 2010 we should notice the growth of 2.5 per cent and at 2011 - 3.1 per cent. It looks like we are successfully overcoming the current crisis.

There are few reasons of such situation. First, in the early 90's we had implemented in Poland a serious number of deep and comprehensive market reforms in order to establish the solid ground for modern market economy and develop predictable conditions for entrepreneurs, exporters, investors, new initiatives, innovative technologies. These reforms, broad and far-reaching were successful. We established a solid basis for well-organized production-net, we observed in more than decade a stabile growth of newly established enterprises which have been and still are competitive on the European and world market. These reforms have clearly resulted in an effective and pragmatic approach to changing market realities. Second, we have introduced after the year 2000 some important reforms oriented mainly into tax reductions - also for entrepreneurs. While the world crisis was already visible we have not decided to implement meaningful internal stimulating package, which have been a rule in many other countries - including major economies - rather than an exemption. Poland introduced in 2008 and 2009 a series of law drafts and modifications which enhanced the Polish Government's response to the financial and economic crisis. They were created according to the following goals: greater accessibility of loans for enterprises; higher limit of guaranties; support for institutions of the financial market; improvement of the system of guaranties for SMEs, acceleration of investments co-financed with EU funds; higher investment relief for new companies; removing burdens to investments in the ICT infrastructure and support to investments in renewable energy sources. Since January 2009 personal income taxes were cut significantly that caused positive input to internal consumption in Poland. These elements should be describe as positive issues in the overall assessment of the fight with the crisis.

Concerning the crisis as such, the general question arises what is an exit strategy. How we should strengthen the multilateral system in order to avoid or at least minimize the outcomes of future economic and financial disturbances. We should try to involve more the WTO in this global process. Otherwise other non-trade world organizations will take over the momentum. We clearly see here a perspective for the WTO to improve the system. The Doha Development Agenda plays here a crucial role. These negotiations must be fully reactivated and real liberalization should take effect. The DDA is a remedy for a crisis, no one can deny it.

Full engagement must be shown in this respect. Final agreement has to ensure balance between defensive interests in agriculture and offensive interests in NAMA, Services and Trade Facilitation. We support acceleration of presenting revised offers in Services. There is a need to keep a single-undertaking approach. We should accept the outcome of the DDA WTO negotiations in a common, single package.

There is a need to take a coordinated and timely action at international level to put the global trade back on track towards recovery. To make this struggle more effective at global level it is necessary to put in place an effective WTO monitoring system of measures taken recently by all countries justified by the current economic crisis. That is why we pay special attention to the significance of strengthening the role of the Trade Policy Review Body and the trade measure review mechanism which should allow, to monitor closely, all the measures taken by the WTO Members, make appropriate recommendations if necessary and follow proper implementation. This is a real step forward, an achievable goal, which should be seriously considered by all Members and proper decisions should be taken up. Strengthening the role of the regular Committees (like TBT, SPS, Market Access and others) is another issue worth to consider.

Mr Chairman, I sincerely hope that this Ministerial Meeting will give all of us new impetus for deep engagement in the DDA negotiations, that this new momentum will provide a better scenario for 2010 and that this Round will be successfully concluded by the end of next year. This is an important goal. I also hope that the new WTO perspective will also mean new challenges ahead of us, strengthening this Organization, describing new opportunities, but also new commitments and new responsibilities.

Let me finally hope that this Geneva meeting will be a real cornerstone of the new, solid foundations of the WTO, which will still play an important role not just as a "guardian of trade treaties" but also as an organization successfully challenging new world market realities.
