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MINUTES OF WORKING SESSION ON IMPLEMENTATION

Held at the Centre William Rappard
on 18 and 20 May 1998

Chairman: Mr. Pascal Couchepin (Switzerland)

1. The Chairman, opening the first working session, recalled that the aim of the working sessions was to provide Ministers with the opportunity to have a candid exchange of views on Item 1 of the agenda, namely, Overview of Activities of the WTO. He invited Ministers to be very brief in their interventions and aim not to speak for more than 3 minutes at a time, as well as not to repeat statements already circulated. He recalled also that the present working session would be devoted to a discussion on the first part of Agenda Item 1 – Implementation of the WTO Agreement and Ministerial Decisions.

2. The representative of Japan said that the WTO was, in general, functioning effectively in areas such as liberalization and dispute settlement, among others. It was essential for all Members to implement the Agreements in good faith in order to further solidify the WTO's reliability. As shown by the track record of the past fifty years, there could be no alternative to the multilateral trading system for world economic development, and it would be meaningful for all Members to reaffirm on this occasion the primacy of the multilateral trading system. The recent trend towards regional integration should be carried forward in such a way that the multilateral trading system would be further strengthened rather than weakened. Many important agreements such as the Information Technology Agreement (ITA) had recently been concluded, and work on new issues such as trade and investment was now in progress. Such activities were important steps towards the WTO's future work. Japan supported the initiation of comprehensive liberalization negotiations which included areas such as investment rules and industrial tariffs in addition to the built-in agenda. As for the issue of implementation, it was vital that the WTO Agreements were adhered to faithfully by all Members. It was important that all Members achieve steady implementation of the Agreements in areas such as the protection of intellectual property rights and trade-related investment measures. Japan's Ministry of International Trade and Industry (MITI) was ready to provide the necessary technical assistance such as training of intellectual property officials. In order to ensure steady implementation, it was important also to enhance public understanding of the rules and activities of the WTO.

3. Regarding electronic commerce, he said it had the potential to attract foreign cooperation activities and to promote new forms of trade. There were no borders in the world for electronic commerce, and it was important that a study on the trade aspects of electronic commerce be started at the WTO without delay. Japan supported the proposition for a standstill on tariffs for the present time, and to review this upon the completion of the WTO study, with a view to promoting electronic commerce internationally. For Japan, agriculture was the biggest issue in the Uruguay Round. In the face of extremely strong domestic opposition, Japan was implementing the Agreement on Agriculture. As Japan had agreed to minimum access against the backdrop of excess domestic production, it was faced with a difficult domestic situation. Agriculture was not Japan's strength and it was in that context

that Japan was implementing the Agreement. Thus far, Japan had not deviated from this implementation, and hoped that Members fully appreciated these circumstances.

4. The representative of the United States said that support from the public for new agreements would exist if Members could show that existing agreements were fully respected and implemented. Members had a responsibility to ensure that the public had a better understanding of how the WTO operated and of the WTO Agreements. The public had a tendency to focus on failures and perceived failures in trade areas. Members therefore had to do a better job of educating the public as to what could be positive in terms of trade arrangements. This was an issue that the US President would address in his speech on the occasion of the commemoration of the 50th Anniversary of the trading system. The next several years would be critical for all Members. Deadlines had to be faced, for example in the TRIPs and Customs Valuation Agreements, two among many agreements that were part of the infrastructure of the trading system. If these Agreements did not work, Members would suffer. Lack of intellectual property right protection stifled innovation and investment, and poor valuation and customs practices invited corruption and diminished the value of concessions that Members had bargained hard for in the market access negotiations. With regard to agriculture, he had often to answer questions such as whether the WTO was good for US agriculture and whether the rules were sufficient to give producers and consumers the confidence to look to global markets. He had always answered "yes" to these questions, but some actions taken, particularly in agriculture, threatened to undermine the system. For the United States, a number of important agricultural cases had been brought to the dispute resolution process. Unfortunately, in two of the cases the losing party had yet to take steps to bring its measures into compliance. Many had said that the dispute settlement understanding was one of the jewels of the Uruguay Round. For the WTO to maintain its credibility Members had to adhere to their obligations. Countries were also adopting more creative ways to keep their markets closed. Action was now being taken in the name of consumer protection and health regulations which did not have a basis in health or science and in reality undermined consumer confidence; that was not good for domestic producers or international markets and was not good for the WTO.

5. The Committee on Agriculture had done serious work on implementation issues that should help Members in preparing for the negotiations that would be launched in the Third Session of the Ministerial Conference and that would improve public support for continued reform. Members had been successful in opening markets by the tariff reductions agreed in the Uruguay Round. Tariff rate quotas had been established and, in most cases, trade was not restricted by arbitrary requirements. Countries had changed their subsidy policies to meet the quantitative limits established in the Agreement, and had changed measures that could not be justified by sound science. The results had been important. Trade had increased and Members could see a rationalization of domestic policies. In the United States, the 1996 farm bill had taken significant steps to reduce subsidy levels, decoupling much of the domestic support for production decisions and going well beyond present WTO commitments. The United States was eager to work with other countries to continue the reform process. He agreed with others who said that the assessment on implementation would help guide Members forward. Further reductions in tariffs, and possible elimination of tariff rate quotas and better administration would be key to market access. The United States saw more ways to tighten the disciplines already provided from domestic subsidies to the operation of state trading enterprises and the Agreement on Sanitary and Phytosanitary Measures. On 20 May, Members would put into place an important process for 1999. Procedures had been taken care of, and there was need to turn to substance. It was clear to the United States that the experience with implementation would help shape the way to move forward.

6. The representative of Australia agreed with the need to carry out full implementation. He was also pleased that the first two speakers had mentioned agriculture and had not blanched in the process. It was a good step forward that agriculture was part of the WTO and part of its deliberations which was how it should be. The WTO, on the occasion of the 50th anniversary of the multilateral trading system, had a very modest budget of US\$ 80 million and had been doing remarkably well within those limited

resources. It was in one sense the best venue in the world for advancing the living standards of the peoples of the world through improved fair-based multilateral trade rules thereby creating a win-win situation as part of that process. But that would only be so if the momentum was maintained with regard to WTO activities. The particular agenda item on implementation was all about ongoing activity. In fact, implementation and future work were both sides of the same coin. To give an example, Australia welcomed the fact that Japan had opened up eight per cent of its domestic rice market for competition and imports from the United States, Australia and elsewhere in a fair way. But that meant 92 per cent of the market remained closed. This situation was something which ought to be the subject of further consideration under future work.

7. For Australia, completing the Marrakesh mandated negotiations on agriculture and on services was as much part of implementation as the future work agenda. It was a challenge which, against all odds, the WTO had been able to meet. It was a challenge because it was a substantial process that was taking place at the second Ministerial in 1998. There was gain from the pain. What Members said on this occasion was what Members had to carry through at home. So since the Singapore meeting, the Australian government had managed to get through the Australian parliament the abolition of the sugar tariff which was now at zero. The sugar farmers in Australia had been displeased, but the gain was that now the industry was modern and increasing its export efforts to the world. Australia was therefore in favour of maintaining the momentum. The WTO was a valuable organization. It should not be allowed to slip back into the status quo. There were thirty-one countries queuing up for membership because the organization meant something, because it facilitated trade with the world. So the WTO had to move forward. There were problems and slippages, there were some very entrepreneurial non-tariff measures, and Members were not innocent in that regard. But at the end of the day the correct direction was for practical implementation and the future work was to maintain the momentum of the WTO into the next millennium.

8. The representative of Hungary said it believed that the overall picture on implementation was satisfactory. Referring to the dispute settlement mechanism as one of the cornerstones of the WTO which distinguished it from many other international organizations, he said that the mechanism had functioned well and significantly strengthened the credibility and image of the organization. Hungary was especially pleased to see that the basic aim of the dispute settlement mechanism, namely to secure a positive solution to a dispute, seemed to have been achieved. In this regard, it was striking that the number of dispute settlement cases where mutually acceptable solutions had been achieved by the parties had significantly exceeded the number of the cases that had had to go through the panel and the appellate body process. At the same time, in certain areas, there were problems which were of importance to Hungary. It was regrettable that a common understanding on the most systemic issues was still outstanding and that a critical backlog had emerged in the work of the Committee on Regional Trade Agreements which hindered the review of the notified agreements. Hungary was very interested in the adequate protection of geographical indications, and was expecting progress in increasing the protection of individual geographical indications and in establishing a multilateral system of notification and registration of geographical indications for wines. Much remained to be done in the field of state trading activities too. In this area, the major tasks related to the strengthening and clarifying of present rules. Renewed efforts had to be made to ensure the required consistency with WTO rules and principles.

9. The representative of New Zealand said that it would be fair to say that most Members had been taking their implementation responsibilities quite seriously. But he had to say that Members were very good at speaking the rhetoric of trade liberalization and equally good at manoeuvring in order to minimize any liberalization that they might have to carry out. Therefore, when addressing the issue of implementation and future work, Members had to firmly keep in mind that WTO meant trade liberalization and that they had to act accordingly. In looking at implementation, Members needed to identify those rules established prior to the Uruguay Round which were not really sufficient in the post-Uruguay Round environment. They needed to look at issues which were not covered in the Uruguay

Round, but which had come to their attention during implementation, such as the administration of tariff quota regimes. Members needed to look at where implementation had made it clear that certain Uruguay Round commitments were not extensive enough. Issues that had emerged as problems during implementation should be identified and addressed in the future work agenda. It was no good going back over the Uruguay Round and trying to unpick what had been done there.

10. The representative of Egypt stressed the importance of the full implementation of the WTO Agreements as the only key element to ensuring the credibility and effectiveness of the multilateral trading system. There were several difficulties and challenges facing Egypt and developing countries in the process of implementation, in particular on issues related to anti-dumping; technical regulations and standards; sanitary and phytosanitary measures; the integration program of textiles and clothing in the WTO; the non-application of the Marrakesh Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries; and the modest implementation of the special and differential provisions in favour of developing countries. Egypt also reiterated the importance of the effective follow-up of the outcome of the High-Level Meeting for least developed countries. In this context, Egypt requested that a separate part of the WTO Annual Report be devoted to follow up the status of the process of implementation in all areas under the WTO with a view to assessing difficulties and proposing recommendations for remedies. He stressed the importance of transparency in all aspects and areas of WTO work. This was vital in order to bring more understanding and create awareness among the public of issues relating to the organization, especially in developing countries, and convince public opinion that the organization was not working by ignoring their interest or even against their interest.

11. The representative of Greece said that to begin this debate, which would bring Members to a new round of negotiations in the context of the WTO, it was obvious the experience acquired over the last three years had to be taken into account. In Greece's view, particular attention had to be given to agriculture given its considerable importance for all countries. Greece was convinced that any progress made so far in the area of agriculture must be consolidated further before new negotiations were entered into. The "Peace Clause", for example, provided that every Member had to make a moderate use of compensatory measures. But, in practice, this measure had been considerably resorted to in circumstances that were not always justified. In Greece's view, this was a direct violation of the commitments entered into under that clause. The future revision of the Agreement on Agriculture should involve the development of stricter rules to avoid the non-justified use of this measure. The reform of agricultural policy involved a long process, and was very often accompanied by difficult adjustments. This involved, as was stated in the Preamble to the Agreement, taking into consideration factors such as the protection of the environment, the protection of consumers, the assessment of the possible impact on producers' revenues, the maintenance of social equilibrium, as well as respect for the rules on sanitary and phytosanitary measures. Greece attached particular importance to the provisions of the Article dealing with direct payments under the programmes of limited production. In the course of the Uruguay Round negotiations, these provisions, the objective of which was to facilitate the adjustment process and the adaptation of the agricultural policy, were not conceived as transitional measures. On the contrary, they were a permanent element of the Agreement. Any effort which tried to weaken these provisions could not but have a negative impact on the reform of agricultural policies.

12. Direct export subsidies were already subject to strict disciplines. However, contrary to the commitments which had been entered into and after more than three years of implementation, Members had not yet elaborated international disciplines for the granting and guaranteeing of export credits. It was essential that all Members respected this commitment. He also wished to draw attention to the link between agricultural policy and the environment. The liberalization of trade and the reform of the agricultural policies very often had an impact on the link between agriculture and the environment. This impact was very complex and not always positive. It was for this reason that an overall approach had to be developed to analyze the nature of this link. Particular attention had to be given to least-developed regions, particularly in those countries where agriculture helped to avoid internal migration. Public

health, food safety and the protection of the consumer had to be at the very centre of Members' concerns. A sufficient level of sanitary and phytosanitary protection had to be ensured without the creation of unnecessary obstacles to trade. A scientific base, risk assessment and the respect of transparency were part-and-parcel of the appropriate mechanism which could ensure this balance. Consumers had to be provided with an appropriate level of protection and their concerns had to be taken into consideration.

13. The representative of Ireland said he wished to focus on the need to continue to improve the quality of dialogue between developed and developing countries in the WTO. The first condition for dialogue was that countries genuinely tried to listen and understand each others' perspective. Developed country Members needed to really hear what their colleagues from developing country Members were so forcefully telling them. They needed to acknowledge and confront the reality that the benefits of liberalization remained unevenly spread, understand the tremendous strains which implementation of the Uruguay Round had placed on the least-developed countries in particular and help build confidence in the developing world that WTO negotiations could really offer a fair deal all round, and not just consolidate the position of the strong. Of course, dialogue was a two-way street. For their part, leaders in developing countries also needed to have their people understand that globalization was a fact of life, that it could not be ignored or rolled back, and that the challenge was to manage it so as to maximize the benefits and minimize the costs. To make the WTO a scapegoat - to allow any feeling to grow that WTO was the enemy - was utterly misplaced. What was necessary was to engage, to assert and defend legitimate viewpoints, to help the WTO become a pioneering organization while retaining the necessary sense of solidarity among its membership.

14. The twin pillars on which Members needed to build were market access and capacity building. The High-Level Meeting of October 1997 was important in both respects and momentum had to be maintained. The market-access initiatives announced at the High-Level Meeting had to be implemented as soon as possible, and he strongly supported the Director-General's call for developed-country Members to take further appropriate measures. The integrated framework for trade-related technical assistance to least-developed countries was also welcome. Waste and duplication between agencies needed to be avoided, but Members also needed to go much further in building a positive and coherent approach which would really make a difference on the ground. If the three days in Geneva could really improve the quality of dialogue, then they would have been worthwhile.

15. The representative of Norway said that the overriding challenge for the future was to secure the relevance of the multilateral trading system to all Members. Due account had to be taken of the objective of sustainable development as reflected in the Preamble to the WTO Agreement. The WTO's so-called built-in agenda gave certain directions for further development of the multilateral trading system, in particular on agriculture and services. Like Australia, Norway viewed this as part of implementation. Through Article 20 of the Agreement on Agriculture, Members were committed to initiate negotiations for continuing the agricultural reform process with the long-term objective of substantial progressive reductions in support and protection. However, while a reduction could be substantial, it signified by no means an elimination of agricultural subsidies. The coming negotiations could only be one step towards this end. Any reduction would also depend on the various factors and conditions spelt out in Article 20, including the so-called non-trade concerns specified, such as food security and the need to protect the environment. As pointed out during the Uruguay Round, for Norway non-trade concerns continued to be vital elements in agricultural policies and extended not only to food security, but comprised also elements such as environment, rural policies and social aspects. The concept of multi-functionality paid ample attention to non-trade concerns. The 1996 World Food Summit had stressed the importance of food production in low potential areas. Such production might depend on considerable levels of support and protection. Therefore, while maintaining the trading system and safeguarding the interests of developing countries, this multi-functional character of agriculture would have to be a key feature in future deliberations. Norway intended to contribute to a broad analytical process on these aspects.

16. The Uruguay Round had concluded with a framework agreement on services. Since then, Members had succeeded in reaching agreements on increased market access in important sectors. Members were committed to continuing negotiations on all sectors, including maritime transport services. The aim was to make the GATS the global framework for all trade in services. Work on several other issues, such as environment, investment and competition policy, should be intensified and concluded well in time for the preparations for the Ministerial Conference in 1999. He agreed with the Director-General that there was a need to inject political impetus into the work on trade and environment, and supported the idea of organizing a high-level meeting on this issue. In addition to this, Members should consider taking on new tasks in order to improve and expand the rule of law in international trade provided by the WTO. With regard to electronic commerce, he believed it was increasingly important and offered great opportunities in global trade. Norway welcomed a mandate for the WTO to ensure the application of WTO rules of non-discrimination and transparency in the electronic market.

17. In order to maintain the credibility of the trading system and to respond to legitimate concerns voiced by the public, there was an obvious need to discuss in more detail how to best accommodate the qualitative aspects - like health and environment - of the multilateral trading system. The substantive work on these issues primarily took place in other international institutions. But it was important that all Members strived towards continued improvements of the global framework in this respect. The organization - as well as its Members - had also to consciously endeavour to counter the marginalization of the poorer countries in international trade. Without the full integration of the least-developed countries in the multilateral trading system, the WTO would never become a genuinely global organization. Coordinated technical assistance from all relevant institutions was one important means. In order to increase predictability and the possibilities for long-term planning in the WTO, Members' aim should be to cover such activities through the regular budget. In addition to technical assistance, market access for least-developed countries had to be improved. He noted with interest the idea put forward by the Director-General to eliminate all tariffs on least-developed country products, and believed that with the developed as well as the more advanced developing countries should go as far as possible to accommodate this request. The accession process was essential for achieving the genuine global character of the organization. Thirty-one countries were currently applying for membership, of which several were major countries. Norway supported the early accession of these countries to the WTO on the basis of acceptance of the WTO rules and on meaningful market access terms. Special consideration had to be given to the need for leniency in the terms by which developing-countries, and in particular the least-developed countries, acceded to the WTO.

18. In the Singapore Ministerial Declaration, Members had made clear their commitment to the observance of internationally-recognized core labour standards. These were standards subscribed to by most WTO Members. Important work was going on in the ILO that would hopefully lead to the adoption of a declaration on labour standards at the ILO conference in June. In the context of the follow-up of that declaration, Norway intended to take the initiative to hold a seminar in Geneva, at which it would request the involvement of the ILO, and the participation of the Secretariats of WTO and UNCTAD. The challenge was to build a consensus that open trade and globalization should promote not only economic wealth, but also recognized core labour standards. The WTO also had a role to play in this connection. Addressing the issue in the WTO would contribute to maintaining support for the multilateral trading system and to preventing unilateral sanctions and protectionist measures from being resorted to. Norway believed that such standards should be integrated into the WTO framework. Norway attached high priority also to the full and timely implementation of the WTO Agreements. The credibility and smooth functioning of the multilateral trading system was just as dependent on Members' ability to implement as their capability to deal with new challenges. Because the system could not function without full support, all Members - regardless of their level of development - were "demandeurs" when it came to implementation. Turning to transparency, he said it was one of the WTO's basic principles. It comprised notification of national laws and regulations, and modifications therein. But it also encompassed the inclusion of civil society in deliberations on trade policy, in

particular at the national level but also internationally. Lack of compliance with notification requirements had to be pursued, and Norway called for increased discipline. However, he recognized that, in particular for the least-developed countries, imperfect notifications were often closely related to administrative capacity. Efficient and relevant technical assistance could hopefully remedy this situation. Finally, he assured all of Norway's continued support for the multilateral trading system. As a small country with a heavy dependence on foreign trade, Norway had both a national and a systemic interest in this. Consequently, Norway looked forward to participating actively and constructively in the preparations for the upcoming negotiations, as well as in the negotiations themselves.

19. The representative of Italy said that Members could be satisfied with the general level of implementation of WTO Agreements and also, on this occasion, should reiterate the willingness of all to fully comply with the commitments undertaken at Marrakesh and subsequently. This was a fundamental precondition for consolidating the role of the WTO and for any further initiatives in the field of liberalization. The attention of each country was inevitably directed at implementation with regard to some specific sectors and, in the case of Italy, everyone was aware that the protection of geographical indications was one of the priority targets pursued in the course of the Uruguay Round negotiations. Although not entirely satisfactory, the results obtained with the provisions in Section 3 of the TRIPS Agreement represented a sound platform for the adoption of further regulations ensuring a wider and more accurate protection of those products whose quality and international reputation were directly linked to their geographical origin. The first steps that were being taken at the WTO level for the implementation of Article 23 of the TRIPS Agreement were encouraging. In this regard, he viewed very positively the decision to extend also to spirits the work for the creation of a multilateral system of notification and registration of geographical indications, initially limited to wines only. However, to fully comply with the spirit of this provision of the TRIPS Agreement, it would be necessary to ensure that this system was not a mere information system, but rather an instrument granting exclusive rights to the owners of the registered geographical indications. At a broader level, Italy advocated the extension of the scope of Article 23 to products other than those currently envisaged, considering the wide range of food and agricultural products that needed similar protection. In the case of Italy, he would not mention the most famous products, but he knew that several other countries rightly claimed protection for their traditional products. He hoped that the outcome of the current review relating to the enforcement of Section 3 provisions would contribute to strengthening the protection of all geographical indications by phasing out the current exceptions applied to *bona fide* practice or to the use of semi-generic designations. In particular, he did not consider these exceptions justified when the geographical origin of a given product had achieved a world-wide reputation. He knew that some countries did not attach to this issue the same attention that existed at the level of the European Community, especially in some of the regions. These countries should recognize that geographical indications guaranteed the quality of the product on the basis of the long-standing processing tradition and above all of the natural characteristics of the place of origin; in other words, geographical indications provided the consumer with the same guarantee associated with a trademark or a patent. No one would buy a drug if they were not completely confident that it met all the scientific requirements related to the production process. Similarly, buyers would not purchase Chianti wine or Parma ham, if they were not sure of the unique flavour that only their place of origin could guarantee. He therefore urged Members to give particular attention to the issue of intellectual property protection.

20. The representative of Hong Kong, China said that, given the breadth and complexity of the Uruguay Round Agreements, it could be said that relatively few problems had been experienced to date with respect to implementation. However there was no cause for complacency, and the immense efforts made by developing countries to honour their commitments should not be overlooked. Hong Kong, China had particular concerns with respect to implementation in a number of areas. These included the virtual ineffectiveness to date of the integration programmes of the two largest import markets under the Agreement on Textiles and Clothing. Their short-sighted approach to the phasing out of preventive restrictions boded ill for a smooth transition when the Agreement was terminated in 2005. Problems had also arisen from the misuse of transitional safeguards, repeated anti-dumping actions, and the denial of

better treatment for least-developed countries and small suppliers. He fully associated his delegation with the statement issued by the International textiles and Clothing Bureau. He noted that much ground work had been accomplished in the discussions on rule-making mandated by the General Agreement on Trade in Services, including on emergency safeguard measures, subsidies and government procurement in services. This work had now to be carried through to concrete results. Hong Kong, China also looked forward to the early completion of the work undertaken by the Working Party on Professional Services in the accountancy sector, so that one could move on to disciplines for other professional services. He expressed disappointment that after more than two years of deliberations, the Committee on Regional Trade Agreements had thus far been unable to make any recommendations to the General Council with regard to the systemic implications of such agreements, despite their proliferation and the evident inadequacies of an outdated framework of multilateral rules which governed them. In this connection, he believed it vital to stress again the primacy of the multilateral trading system.

21. In other respects, he acknowledged that the implementation of Uruguay Round agreements was placing, and would place, severe strains on certain least-developed countries which might not be fully equipped to cope. To avoid their marginalization, it was vital that the challenge be overcome. The answer lay, at least in part, in increased technical assistance, to which Hong Kong, China was contributing. This area would continue to be accorded very high priority. He added that some Members were inevitably discovering that the results of the Uruguay Round were not entirely as had been predicted. Where vital interests were at stake, it should come as no surprise if certain subjects that Members had thought had already been dealt with, found their way back on the negotiating table. It would be healthy for the WTO if those Members faced with such problems could think of "implementation" in terms of the development of a positive negotiating agenda for the future. This would demonstrate the reality that "implementation" and "future activities", far from being mutually exclusive, were inextricably linked.

22. The representative of Germany said that under the multilateral trading system open markets and free competition had led to the efficient allocation of labour, technological innovation and economic benefits for all. World trade and investment flows had become the engine of growth and prosperity for the world economy. During the past 50 years, many Members had combatted poverty and had become "emerging economies". Others had freed themselves from central economic planning and had become successful transition economies. This was clear proof of the outstanding achievements of the GATT and the WTO, and justified Members' political will and courage to press ahead. Members had been on the right track for the past 50 years, and they should stick to it as one entered the next century. Countries still outside the WTO should become full members as soon as possible, recognizing the rules of the system, and the WTO should become a truly universal organization. He urged Members to direct their work towards: (i) a proper review of the implementation of existing commitments, and (ii) a broad understanding on the preparation of new comprehensive negotiations in the year 2000. He was aware that, for a considerable number of Members, the main priority was the full implementation of existing obligations, and believed it vital to fully implement and apply the multilateral rules as agreed in the Uruguay Round. However, while this was an essential aspect of Members' work, it should not prevent them from looking ahead. The built-in agenda meant that, as of the year 2000, many important agreements in the WTO would need to be reviewed anyway. Experience from the Uruguay Round had indicated that negotiations could only be successful if they were conducted on a comprehensive basis with the political support of all Members. The opportunities for globalization should be seized and Members should commit themselves to an ambitious agenda once again. Members should build on the agenda decided upon, as well as strive for additional liberalization with respect to tariffs on industrial goods and non-tariff barriers.

23. As regards developing countries, he noted that to ease their integration into the multilateral system special and differential treatment had been agreed to. His Government strongly supported all efforts in the WTO, the International Trade Center and UNCTAD designed to: (i) further improve market access for the exports of developing countries; (ii) strengthen the export capabilities of these

countries through technical assistance; and (iii) create the necessary conditions for the application of multilateral trade rules. Developed countries had a great responsibility. They should develop free markets and provide free market access for the weakest countries in the global economy system. Painful setbacks, such as the financial crisis in some Asian economies, should not deflect Members from these commitments. It was important to clarify that Asia was not facing a crisis of the multilateral system; instead, the crisis had been caused by institutional failures and a lack of transparent rules. The Second Session of the Ministerial Conference was a unique opportunity to define a clear political orientation for future work and negotiations. The General Council should prepare the ground for the coming negotiations in substance, so that Ministers could decide to launch new negotiations at their Third Session in 1999. Trade Ministers were responsible for securing and strengthening the multilateral system; it was time for them to prepare new initiatives for trade and investment liberalization.

24. The representative of India said that the intention of the Uruguay Round negotiations had been to use trade as an instrument for development, to raise standards of living, and expand production, while keeping in view the needs of developing and least-developed countries. This was clear from the Preamble to the WTO Agreement. There was a need to study ways to ensure implementation of the objectives of the Preamble, which should not be merely left to "best endeavours". To address the needs of developing and least-developed countries, provisions for the special and differential treatment of such countries were built into various Agreements, but were not being implemented. This issue needed to be concretely examined in the Committee on Trade and Development. Furthermore, the Agreement on Textiles and Clothing was not being properly implemented. There had been absolutely minimum integration of restricted products into the GATT system, as a result of which textile exporting developing countries had not obtained the expected benefits from the Agreement. He urged developed countries maintaining quantitative restrictions on developing country textiles and clothing exports to speedily eliminate such restrictions in order to provide commercially meaningful market access for developing countries. On another matter, he said that India had agreed to the provisions of the TRIPs Agreement as part of the single undertaking of the Uruguay Round. However, it would seek to review the current status of implementation of this Agreement so as to restore the focus on its objectives, particularly the developmental and technological objectives. India would seek to address several issues covered by the Agreement in the evaluation of its implementation. In respect of areas where product patents were not given (such as pharmaceuticals and agrochemicals in India), the transition period of 10 years under Article 65 of the Agreement was effectively withdrawn by the provision of exclusive marketing rights. His delegation was interested in ensuring additional multilateral protection, available for wines and spirits, to the products of developing countries in respect of geographical indications. India was interested in protecting its geographical indications and indigenous and traditional biotechnology, which risked being used by patent holders in developed countries without the flow of benefits from patentees to the original developers.

25. The Agreement on Agriculture had created the expectation that the application of WTO disciplines would lead to greater liberalization. This had been belied. While the majority of developed countries were permitted to use export subsidies, developing countries were prohibited from doing so. In countries where a large percentage of the rural population was dependent on agriculture, it was inappropriate to suggest that liberalization, based on an open price-based system, would ensure equitable food sufficiency. To ensure a balance of interests in the WTO disciplines on agriculture, he urged developed countries to implement their subsidy and tariff reduction commitments, as well as minimum market access commitments, without resorting to circumvention, and developing countries needed to be given more flexibility in their domestic subsidy regimes to address their food security concerns. As regards the implementation of the GATS, it had been dominated by the conclusion of sectoral negotiations carried over from the Uruguay Round. India remained deeply disappointed by the extremely limited commitments made by Members with regard to the important issue of the movement of natural persons. The evaluation of the impact of the provisions of the GATS in a systematic manner had not yet begun, particularly with respect to the realization of the special provisions of the Agreement relating to the export interests of developing countries. In evaluating the implementation of the

Agreement, an analysis and assessment of the benefits derived by developing countries from negotiations conducted thus far would need to be undertaken. Unless such an assessment was made of the implementation of the Agreement, Members would not be able to constructively engage in further liberalization. In the area of anti-dumping, the repeated use of such measures and investigations on products imported from developing countries created instability and uncertainty in the market, affecting both production and employment. This was of serious concern, since such products were also already under quota restrictions. For example, investigations had been repeatedly commenced on unbleached cotton fabric and bed linen from India, even though earlier investigations had shown no dumping. India would call for building in specific clauses to prevent such abuse of anti-dumping provisions. Protectionist non-tariff measures adopted by developed countries, in the form of standards and regulations which had been adopted without taking into account the interests of developing countries, such as export subsidies, barriers to the services exports from developing countries, and unfavourable government procurement regimes, were against the provisions of the multilateral trading system. India would insist on the full implementation of existing special provisions as mandated in the relevant agreements, to ensure that non-tariff barriers were not allowed to restrict exports.

26. The representative of Turkey expressed his conviction that a liberal multilateral trading system based on the principles of free competition, non-discrimination and elimination of barriers to trade was in the interest of the global community. The trade policies pursued by Turkey since the 1980s reflected this conviction, and it would continue to pursue such policies. The unity of the developed, developing, least-developed and transition economies was the most valuable asset of the WTO. Therefore, a balanced approach that took into account the interest of all Members should be ensured. Furthermore, due consideration should be given to the special needs and development requirements of the developing and the least-developed economies, including the difficulties encountered in implementing the outcomes of the Uruguay Round Agreements and the notification requirements of the WTO. He expressed his satisfaction at the results of the initiatives taken since the first Ministerial Conference. Ministers had accepted a Plan of Action aimed at achieving better market access conditions for the least-developed countries and enhancing their trading opportunities. In accordance with the Plan of Action, Turkey had put into effect a preferential tariff regime for the least-developed countries as of 1 January 1998. Turkey had always supported countries applying to become WTO Members, and was confident that their accession would greatly contribute to global welfare. Turkey also attached great value to the trade creating effects and complementary dimension of regional trade agreements in the world trading system. He also expressed satisfaction regarding the Information Technology Agreement. As an original party to the Agreement, Turkey considered that this sectoral initiative was another positive step taken towards freer trade. Turkey also considered the successful conclusion of negotiations on financial services as another important achievement in trade liberalization. It further welcomed the successful and timely conclusion of the negotiations on basic telecommunications, and supported the initiative to include electronic commerce in the agenda of WTO. He expected that the time frames for negotiations and reviews indicated in the other WTO Agreements would be similarly respected. He emphasized the importance that Turkey attached to the full implementation of the TRIPS Agreement. In this connection, he underlined the need to extend the scope of geographical indications beyond wines and spirits to foodstuffs, agricultural and industrial products and handicrafts, including carpets.

27. The representative of the Netherlands recalled previous discussions on the importance of the full integration of developing countries into the multilateral trading system. The GATT/WTO had begun 50 years earlier with less than 30 Members, most of them industrialized countries. The WTO today had 132 Member countries, the majority of which were developing countries. This was a very positive development. The multilateral trading system could only be truly multilateral if developing countries fully participated in it. A crucial improvement in the trading system was the binding character of its new dispute settlement mechanism. On more than one occasion the new mechanism had enabled not only the United States but also developing countries to successfully defend their rights within the WTO. The system of "might makes right" no longer prevailed. This was something to be cherished and preserved. Therefore, the implementation of what was agreed to in the past was necessary. She recalled

that at the Singapore Ministerial Conference, the Netherlands had been an advocate of the Plan of Action for the Least-Developed Countries that had been adopted. This group of countries was under the constant threat of marginalization in the world trading system. The assumption that these countries could automatically reap the benefits of free trade as easily as the industrialized countries could not be made, and Members should be ready to support them with technical assistance. The High-Level Meeting of October 1997 was a first step, and its follow-up would continue to demand Members' full attention. An even more important issue was that of market access. At the High-Level Meeting, Members had committed themselves to improving market access conditions for the least-developed countries. She was pleased that the European Community had taken the first steps to meet its promises. Still, more could be done. All industrialized and the more advanced developing countries should work together towards completely duty-free market access for the products of least-developed countries, and she called on all to join in this effort as such an initiative would strengthen the multilateral trading system.

28. The representative of Korea said that for the rule-based multilateral trading system to take root, it was essential to ensure the faithful and effective implementation of the WTO Agreements. It was in this context that Korea appreciated the significance of the Trade Policy Review Mechanism and took note of the active use of dispute settlement procedures by Members. The fact that 131 disputes had been referred to the new dispute settlement mechanism affirmed its importance. In the light of this increase in disputes, the functioning of the dispute settlement mechanism, one of the crucial elements in guaranteeing implementation of the WTO Agreements, had shown satisfactory results. With this in mind, he hoped that the review process on current procedures that would begin in June would involve substantive and fruitful discussions on how to further improve the effective operation of the mechanism. He wished to point out the difficulties that many countries were experiencing, particularly with regard to panel procedures, due to their lack of human and physical resources. The review process should devote attention to ways to address this problem. One option would be to expand the legal services provided by the Secretariat. The WTO had been successful in providing a forum for multilateral trade negotiations. Since its establishment, it had seen the satisfactory conclusion of negotiations in basic telecommunications and financial services. Furthermore, the Information Technology Agreement had also been concluded. As regards agriculture, he indicated that Korea attached great importance to food security and the multifunctional nature that characterized this sector. Regarding regional trade agreements, he referred to their complementary character. To achieve sustainable development and stabilize the world trading system on the basis of multilateralism, it was essential to ensure that regional trade agreements did not encroach on the multilateral trading system but reinforced it. In this context, he expressed the hope that discussions on systemic issues related to regionalism currently under way in the Committee on Regional Trade Agreements would bring about fruitful results in the near future. With regard to accessions to the WTO, Korea believed that accession procedures for applicants such as China and Russia, among others, should be expedited to guarantee the WTO's universality, and in order to enable all states and customs territories to share the benefits of employment creation and economic development brought about by trade liberalization. Finally, Korea welcomed the recent decision adopted by the General Council on the conditions of service applicable to the staff of the WTO Secretariat, and hoped for significant progress in the Working Group that would deal with more concrete details.

29. The representative of Senegal said that trade was not simply about an exchange of goods and services, but also involved an exchange of values, and offered the possibility of establishing a universal culture. The implementation of the Uruguay Round Agreements should be seen as a yardstick against which the solidarity between Members of the WTO could be measured. It was essential to ensure that the developing countries enjoyed a large enough share of international trade in order to meet their economic development needs. Such recognition had already led to the development of special and differential treatment for developing countries and to their preferential access to developed country markets. These should be fully respected. Senegal's constitution stipulated that GATT/WTO rules superseded national agreements in the event of a conflict between the two. The Government undertook

considerable work to change its legislation in order to avoid such conflicts and to bring national legislation into line with WTO provisions. Senegal had wrestled with the problem of notifications. While notifications had made it easier to abide by different agreements, the magnitude of the work required to prepare them necessitated institutional resources which were sometimes not within the reach of developing countries. There were, therefore, delays, and this should encourage the WTO to reflect on appropriate ways of addressing this problem. While implementation of the Agreements took place in the area of market access, serious obstacles remained to trade in products of particular interest to developing countries, such as tariff peaks, tariff escalation, anti-dumping measures, sanitary and phytosanitary measures, and had had a serious impact on Senegal's exports. These difficulties should be given particular attention by the General Council, prior to the third session of the Ministerial Conference.

30. Access to wealth generated by trade had been very limited for Senegal. This was due to problems of production and limited institutional capacity, as well as to debt. Debt, the servicing of which absorbed all of Senegal's export revenues, should be considered as the main obstacle to the full participation of developing countries in world trade. On another front, he indicated that he was encouraged by the progress made in 1996/97 with respect to the signing of agreements in the area of information technology, basic telecommunications and financial services. These agreements should, at present, be incorporated into national legislation in the different sectors. He welcomed cooperation with the UNCTAD, UNDP, IMF and the World Bank. He stressed that all commitments made should be respected and the benefits extended to all developing countries. He also argued that it would be difficult to maintain momentum in the multilateral trading system if problems of unemployment and illiteracy in the developing countries were not addressed.

31. The representative of Pakistan said that his country was committed to economic and trade liberalization. It was one of the first countries in South Asia to liberalize its trade and economic regime as an autonomous initiative. Today, its economic and trade regime was perhaps amongst the most outward looking. Pakistan thus had an abiding commitment to the strengthening of the multilateral trading system. For developing countries, the full and faithful implementation of the Uruguay Round Agreements was of vital importance. The expectation had been that the implementation of these Agreements would lead to tangible gains. However, the benefits of the Agreements, to the extent that they had materialized, had been fairly disappointing. This appeared to hold true for many WTO Members. Referring to the implementation of the Agreement on Textiles and Clothing as an example, he said that integration programmes for the first two stages had not led to any meaningful liberalization in the sector. Additionally, the textiles exporting countries had continued to face export barriers due to the frequent use of the exceptional transitional safeguard mechanism, anti-dumping measures, as well as other unilateral measures. This had led to the situation where the textiles exports of developing countries had risen by only 4.3 per cent over the past four years, less than the growth rates previously registered under MFA restraints. On the other hand, the textiles exports of countries maintaining MFA restraints had risen by 9 per cent over the same period. This was hardly a tenable situation. Pakistan associated itself fully with the report of the International Textiles and Clothing Bureau in this regard.

32. In the area of Agriculture, as another example, major developed countries had been able to transform their restrictive agricultural regimes into extremely high levels of tariff protection, much higher than those which the developing countries could maintain under the Agreement. The aggregate measure of support had also been used to apply much lower reductions of production subsidies in sensitive sectors. The cumulative effect of such measures had been the erosion of market access benefits. In the services area, Pakistan was concerned that negotiations on the movement of natural persons had resulted in only marginal improvements in the schedule of commitments. Most of these commitments were still subject to the "economic needs" test which inhibited the movement of natural persons from developing countries like Pakistan. Continuing market restrictions in key areas of interest to the developing countries were further compounded by certain measures that ran counter to the spirit of the Uruguay Round Agreements. He provided the following two examples. First, anti-dumping

measures were being repeatedly used to advance obvious protectionist objectives. While Pakistan recognized the legal rights of Members to use anti-dumping measures, there was an obvious need to exercise restraint in applying such measures against items already subjected to quantitative restrictions in the form of quotas. He suggested that once a country was cleared of the charge of dumping after due investigation, there should be a minimum time limit of, say, two years before the expiry of which a fresh complaint on the same dumping issue should not be entertained. Second, there were efforts to minimize and even roll back the provisions under different Agreements on special and differential treatment for developing countries. This was unfortunate since these provisions were the only means for promoting a more level playing field between trading partners of vastly unequal endowments.

33. In the draft Ministerial Declaration to be adopted by the Conference, agreement had been reached to examine implementation issues and to receive recommendations in this regard. However, to be meaningful, this should not be a mechanical exercise, such as those conducted in the various Committees and Councils of the WTO. It should be a broader economic and political evaluation which would (i) assess whether the anticipated benefits of the Uruguay Round Agreements were being achieved; (ii) identify the problems encountered in the course of implementation or inherent in the agreements; and (iii) suggest ways and means to redress these problems and meet expectations regarding the benefits supposed to flow from these Agreements. There was a need to ensure that the implementation of the Agreements provided mutuality of benefits for all Members. If there was a continued asymmetry of benefits, the multilateral trading system itself would be brought into question. All had an interest in ensuring that this did not happen.

34. The representative of Bangladesh said that various market access commitments had been made in the WTO Agreement with respect to trade in goods, which was of great importance to least-developed countries like Bangladesh. The WTO's estimates of the benefits of the Uruguay Round showed that the annual gain in world income ranged between US\$ 100-510 billion, while the increase in merchandise trade would be between 9-24 per cent by the year 2005. About a third of this gain was expected to accrue to developing countries, while African countries and least-developed countries in other regions were to benefit only marginally, if at all. Moreover, the realization of estimated gains could be delayed, or even frustrated, if commitments were implemented in form rather than in substance. This underlined the crucial importance of the sincere and timely implementation of Uruguay Round commitments by the developed countries, if least-developed countries like Bangladesh were to benefit from the Uruguay Round. Least-developed countries had not benefitted from globalization in the last decade. They had been increasingly marginalized with disastrous consequences. As the Least-Developed Countries Report 1997 of the UNCTAD had shown, from 1980-1994, 22 least-developed countries had suffered declines in real per capita gross domestic product of more than 10 per cent, with 12 of them experiencing per capita income falls in excess of 20 per cent. This disappointing performance of least-developed countries had taken place against the backdrop of a generally prosperous world economy which had experienced a growth rate of 4 per cent in 1996. This trend had to be reversed if a stable world economic order was to be preserved.

35. It was important to realize that trade would not expand automatically in the wake of tariff reductions and the removal of tariff and non-tariff barriers. For Bangladesh to reap the benefits of globalization, internationally competitive supply capabilities would have to be developed. However, an open and liberal trade regime was a necessary condition for enhancing export supply capabilities. Substantial trade policy reforms would therefore have to be undertaken in Bangladesh. This had already begun, and was reflected in the fact that the import-weighted nominal rate of protection for the Bangladesh economy as a whole declined from 42.1 per cent in 1990/91 to 21 per cent in 1995/96. He noted that Bangladesh had undertaken unilateral tariff reductions over the past three years in excess of its WTO liberalization commitments. Bangladesh's exports had exhibited robust growth in the 1990s. However, the heavy dependence on two products, woven and knit garments, was a sign of economic vulnerability and underlined the need for export diversification. Supply-side constraints had inhibited export diversification and expansion in Bangladesh. The problem was compounded by weaknesses in

physical and social infrastructural support facilities. There was an urgent need for both technical assistance and increased overseas development assistance flows to strengthen the export supply capacity in Bangladesh. The WTO Action Plan adopted at the Singapore Ministerial Conference had reiterated that technical assistance would be provided to least-developed countries to help them diversify their exports. He urged that such intentions be put into practice as soon as possible to enable least-developed countries like Bangladesh to benefit from the Uruguay Round. Bangladesh was facing problems in implementing certain WTO Agreements, particularly the Agreements on Customs Valuation, Anti-Dumping Practices, Subsidies and Countervailing Measures, Technical Barriers to Trade, Sanitary and Phytosanitary Measures, and Trade Related Aspects of Intellectual Property. These problems were the result of weak institutional capacity, inadequate legislation and under-developed human resources. The Singapore Ministerial Declaration had stressed the importance of the full and effective implementation of WTO Agreements, including compliance with notification requirements and changes in domestic legislations. To help Bangladesh effectively implement the various Agreements, the international community should provide the technical and financial assistance promised on various occasions, including at the Singapore Ministerial Conference. Developing and least-developed countries like Bangladesh which benefited from preferential tariff reductions under the Generalized System of Preferences in major developed-country markets, might find this access cut back by the m.f.n. tariff reductions of the Uruguay Round. The loss of preferential tariffs could have adverse trade effects on these countries. He urged developed countries to increase preference margins to offset the effect of m.f.n. reductions. Rules of origin might also be applied leniently to the exports of least-developed countries to increase their access to developed country markets.

36. New issues might hinder the integration of developing and least-developed countries into the global trading system and thereby have a debilitating effect on their growth. Of particular significance in this regard was the linking of trade to the environment and labour standards. The threat of imposition in the near future of "social dumping" and "eco-dumping" duties by developed countries on the exports of developing and least-developed countries was a source of concern. Bangladesh had already faced problems in complying with quality control regulations and HACCP Standards in the case of the export of frozen foods to several developed countries. Major importing countries had also threatened to impose sanctions on Bangladesh's exports of garments and leather products on the grounds of use of azodyes in the production process. It was important to realize that lower labour and environmental standards were not maintained deliberately by least-developed countries like Bangladesh to gain unfair trade advantage. They were simply the result of lower levels of development. Moreover, eco-friendly and "clean" technology was costly, which discouraged their use in least-developed countries. These and other related issues must be thoroughly examined, as agreed to at the Singapore Ministerial Conference, before developed countries took trade-restrictive action on these grounds.

37. The representative of Iceland said that the full and faithful implementation of WTO Agreements was of fundamental interest to all Members, developed and developing alike. It was a priority issue, central to the credibility of the organization and to the economic prosperity of Members. Iceland's overall assessment of implementation was positive. It commended the work of WTO bodies in monitoring compliance, and was particularly pleased with the functioning of the Dispute Settlement Understanding. His Government recognized that real implementation problems persisted, particularly with respect to developing countries. These difficulties could be dealt with effectively within the existing WTO framework. Iceland stood ready to work constructively with affected countries to mitigate any genuine concerns, but cautioned against any back-tracking, or renegotiation of existing commitments. All efforts should be made to counter the marginalization of the least-developed countries and integrate them fully into the multilateral system. In this respect, he welcomed the report by the Director-General on the follow-up to the High-Level Meeting. With respect to agriculture, Iceland remained fully committed to the faithful implementation of the Agreement on Agriculture and the future negotiations it mandated. But due regard should be given to non-trade concerns, such as food security and regional policies, within a general framework of further trade liberalization. The work of the WTO should inspire public confidence and support. For this to be realized, Members had to intensify efforts

to identify optimum transparency. The conclusion in 1997 of agreements on financial services, basic telecommunications and information technology represented a solid foundation for the technology-driven trading system of the 21st century. The WTO should prepare to build on these successes.

38. The representative of Colombia said that the text of the draft Ministerial Declaration reflected the role which had been carried out and was yet to be carried out by the multilateral trading system. However, there were areas of particular interest to Colombia on which it would have wished to see greater emphasis in the Declaration. Free trade could not be conceived of as an end in itself but rather as a means to generate wealth and to improve the condition of life of people. In this context, and amongst the tasks of the WTO, it could be kept in mind that trade had the function of helping to narrow the gap between developed and developing countries. From this perspective, it was important that Members adopted positive measures which would ensure significant access to their markets for products of interest to developing countries. Furthermore, they should avoid using new forms of protectionism, such as safeguards and anti-dumping measures. Finally, trade remedies should be used in a manner consistent with world trade rules and, in particular, with the provisions which referred to special and differential treatment for exports of developing countries. There was a development dimension of the multilateral trading system which should guide discussions throughout the Ministerial Conference. In assessing the ways in which Members had implemented the Agreements, abided by the commitments made, and reached the goals set, it was necessary to recognize the efforts made by the developing countries to implement the commitments undertaken during the Uruguay Round and the difficulties encountered in this process.

39. The implementation of the Agricultural Agreement could be described as satisfactory. Members had participated actively in ensuring compliance with the Agreement. That task would need to continue, even during the negotiations which had been mandated to revise the present system. Furthermore, the analysis and exchange of information exercise had contributed positively to the identification and understanding of the different issues which would be negotiated. Within the framework of the discussion on implementation, Colombia wished to flag its concern about the scant compliance with the Agreement on Textiles and Clothing. The progressive liberalization and integration into the GATT system of the products subject to restrictions had been rather limited, as had been noted in the course of the recent examination of the implementation of the Agreement. It was for that reason that Colombia urged importing countries to adopt positive measures which would provide significant access in their markets to textiles products. In implementing the obligations created by certain agreements, it had emerged that the transition periods established for developing countries were not sufficient. It was, therefore, necessary to adapt the transition periods to the situation in developing countries. The dispute settlement mechanism was one of the pillars of the system. Nonetheless, great care needed to be taken to ensure that all developed and developing countries had affective access to the mechanism. Finally, Colombia wished to highlight one basic element: the contribution of regional integration agreements to the multilateral trading system. Colombia was convinced of the benefits to be obtained by promoting an integration policy within the framework of open regionalism, compatible with the disciplines of the WTO. For that reason, Colombia actively participated in the modernization of the institutions of the Andean Community.

40. The representative of Canada said he wished to make four brief points regarding implementation. First, there was a need to underline that both global and domestic economic prosperity relied very heavily on a healthy environment for both trade and investment liberalization. Global trade in goods alone now totalled more than a staggering US\$ 5.2 trillion a year. In fact, Canada's reliance on trade and exports was over 40 per cent of its GDP. If the positive forces of trade and investment were to be spread around the globe, it was necessary to keep to the commitments that had been made in the Uruguay Round in order to maintain the continuing healthy environment and to provide the momentum for any future agenda. So, the first message was that Canada would wish countries to keep to the commitments that were agreed to in the Uruguay Round. Second, the need for keeping the promise or honouring the commitments also applied to the so called built-in agenda in respect of services and

agriculture. Again, it was necessary to maintain the commitments undertaken in these areas, especially to ensure the credibility of discussions on the future agenda. If there were no adherence to previous commitments, then both international and domestic constituencies would ask how the WTO could go ahead into a future agenda when there remained unfinished business. Third, like some of the Members who had spoken previously, Canada recognized that for certain developing countries, understanding a range of new and often complex obligations imposed a heavy burden. There was a need to be both realistic and sensitive if it were desired that the entire WTO family move forward as a unit without leaving anyone behind. It was with such sensitivity and realism that Canada had recommended a high-level meeting precisely for this purpose at the Singapore Conference. This meeting had been held in 1997, and was a success. Canada would wish other countries also to continue displaying realism and sensitivity in this area. Canada would continue to find ways to improve its already liberal access under the least-developed country tariff, with a view to expanding duty-free product coverage and liberalizing rules of origin to provide better market access for least-developed countries. Not only was the credibility of the organization on the line but also the unity of the WTO family. If trade and investment were to be liberalized, then it must be for one and all. Finally, regarding implementation, there was a need to find ways to translate the technical, arcane language of the WTO Agreements into a broader support base among not only domestic firms but also domestic civil society. It was necessary to explain more clearly the benefits of the unfinished business in order to create the confidence that was needed for further work. Canada wished to congratulate the Director-General on his foresight in including the work of leaders in the programme. Since leaders were seen to be engaged, legitimately, in regional fora such as NAFTA, FTAA, and APEC, if the WTO was truly a world trade organization, then it did need the momentum and direction and the sage advice offered by world leaders.

41. He wished to close with a few points on future activities. It was necessary to recognize that it was at the next Ministerial meeting that there would be a political agenda. There was a need for all concerned to keep an open mind and to reflect, and not to become ideologues for any one position but to remain sensitive to the wishes of the world community regarding the directions work should take. Second, it should be recognized that this discussion was not just for trade experts, ambassadors and ministers, but something with which all civil societies must grapple. Therefore, it was important to determine how better to engage that civil society; how meetings of WTO could be opened up and documents derestricted; how it could be ensured that Panel reports were subject to speedier action rather than taking the form of brown envelopes that were leaked, thereby distorting and complicating matters; and, broadly, how the people in Member countries could be engaged so that the WTO could be seen as a forum for collective rather than exclusive action. Finally, there was need for some imagination in the spectrum of choices, rather than pitting one extreme called "anything that we haven't finished in the Tokyo and Uruguay Rounds, lets finish and call it a Millennium round", which implied certain things both positive and negative, and the other extreme that said "lets go one sector at a time, lets cherry-pick and lets go slow", which revealed a lack of confidence. There probably was a broader agenda for continued liberalization. It was not a question of the road getting there, it was a question of how to get there. How much traffic would the road bear, and how quickly should the traffic move, were among the fundamental questions. Perhaps it was appropriate to think of the concept of a cluster of issues between the two extremes that were pitted against each other. The adoption of an over-arching, reflective, open-mindedness would help prepare the consensus that was required. Such a consensus would not be indifferent to the anxieties that were being felt the world over, but would address those legitimate anxieties, and help communities both domestically and internationally to overcome them and embrace globalization by shaping it rather than being trampled by it.

42. The representative of Argentina said that the WTO Agreements and Decisions should be implemented on the basis of their current texts. If there were a desire to introduce reservations or changes in different Agreements and Decisions, in the light of accumulated experience, then that could be done only through new negotiations in the context of a global process. In the Uruguay Round, all Members had wanted to achieve better agreements and concessions but could only obtain what was possible. Consequently, there could be no correction or change without negotiations, and even less so

rectifications which covered special priorities for certain traded sectors which benefitted only a group of Members. The mandates for future negotiations, as in the case of agriculture and services, had to be accomplished as stipulated in these Agreements. There were specific cases, such as the non-implementation of the mandate for negotiating disciplines on agricultural export credits, which were in a special category for implementation or rather lack of implementation, and where it was necessary to consider the form of immediate remedies or solutions required. The non-approval of disciplines on agricultural export credits was causing distortions in international prices of agriculture products and a shift in the position of the traditional providers. Additionally, the tendency to use accumulated export subsidies was putting pressure on international prices. Finally, Argentina was concerned about the limited progress made in applying the disciplines agreed in the Uruguay Round on state trading.

43. The dispute on the legitimacy of non-tariff measures whether technical or sanitary was a major source of conflict. It had already been addressed in the dispute settlement process by the panel on hormones, and might arise in future with regard to issues concerning genetically modified seed, aflatoxins and citric products. Certain instructions had been approved in Singapore concerning trade facilitation, investment, competition, and transparency of government procurement. Argentina was not ready to discuss opening up of the subsidies agreement, or anti-dumping and safeguards at this stage since there was concern about the effects of ruinous competition from imports not based on fair-market practices. On the other hand, Argentina was open to making progress in the area of practices of monopolistic organizations which distorted competition. It was also ready to create disciplines on transparency in procurement and to support, as far it could, the process of creating norms for trade and investment wherever they were considered. Finally, with respect to regional agreements, the setting up of the Committee on Regional Trade Agreements was a constructive step forward to cover this area in the WTO. However, Argentina was concerned about the disparity of requirements when reviewing different agreements. Excessive conservatism in an institution of this type caused some concern, and it might be that some Members went too far in their demands for transparency and consistency in applying WTO rules. That was unacceptable because it was based on their own vision rather than on existing and applicable rules.

44. The representative of Morocco reaffirmed his country's support for the multilateral trading system and for the implementation of the WTO agreements. His delegation would distribute a paper describing the progress made in that country. It was a fact that for some time now, voices were increasingly being raised questioning the advantages of the multilateral trading system. The success of the system required contributions by all and, as certain delegates had already stated, that required the launching of a communications campaign - to explain the benefits of the system - if the system were to be a success. The increasingly negative feeling was strengthened by the fact that certain countries, even developed countries, were increasingly placing obstacles and barriers of all kinds in the way of exports from countries like Morocco. Such obstacles needed to be eliminated if it were wished to make a success of the system.

45. Rules of origin constituted a key stone of the success of the system. The pace at which work was progressing in setting up rules of origin, and the way in which work in the area was proceeding and being organized, did not make it possible for countries like Morocco to follow developments effectively and to make an efficient contribution to success in the area. That was why Morocco had asked for technical assistance, and possibly review and revision of the time schedule, so that each Member could present its views. Another point concerned the customs valuation and anti-dumping rules. Those constituted measures that were necessary for the system to be a success. Apart from the difficulties and the imbalance of forces in the area of anti-dumping, it was known that developing countries did not have the technical ability to be able to put forward those measures. Hence, Morocco appealed for increased technical assistance in this area.

46. The representative of Tunisia reiterated the support of his country for the multilateral trading system. All nations, irrespective of their level of development, had come to Geneva with their

respective ideas to enable the WTO to approach the third millennium as an open, prosperous and strong forum. At this time of celebration, Members should not be complacent or hide from future challenges. The success of the system did not preclude criticism. The dividends of multilateral trade development were not fairly divided. The developing countries, who were in a very difficult economic context and had structural difficulties, aspired to treatment in line with their strategic priorities and their economic needs. It was essential to develop a trading system that was fairer and better balanced. The contribution of the WTO should be in line with these expectations, with a global integrated approach to the challenges, designed to reduce the gaps and disparities and avoid potentially conflictual situations. Such an approach could ensure a balance between development goals and the constraints of globalization. The contractual nature of the WTO implied a balance of interests, coherence of commitments and harmonization of objectives, whatever the issues at stake. In the strategies for consolidating the multilateral trading system, the development dimension had to be at the very centre - a key stone not a stumbling block. Hence, the problems of implementation of the WTO agreements required more attention and a vision that was closer to reality. That was the very focus of concerns of the developing countries. The clause for preferential treatment granted to developing countries was not enough; it had to be redefined, and constituted one of the main elements in evaluating implementation.

47. It was also imperative to implement fully the Agreements and Decisions in favour of developing countries and, in particular, the decision on net food-importing countries. The enshrining of the principles of objectivity and fairness would give the WTO even greater credibility and standing in international public opinion. There was a need to communicate with the public at large. Emphasis should be placed on the difficulties of implementation created by structural constraints. Political commitments could not in any way be challenged, but the difficulties of economic integration were a challenge which was not always easy to take up and meant great pain and sacrifice at times. Tunisia expressed its full confidence in the multilateral trading system. However, the process of implementing WTO agreements was a long-term enterprise. This enterprise had to be taken up with determination, without jeopardizing social balance or political stability, which were among the important achievements of new Tunisia, under President Ben Ali. Implementation was a difficult operation, but the process had to be completed in spite of the difficulties encountered.

48. The representative of the United Kingdom said that the Ministerial Conference was significant for further strengthening the rules-based multilateral system and its dispute settlement mechanism, which was indivisible from the continuing importance of trade liberalization and economic growth, improving living standards, and new job creation across the world. Strong markets relied on open markets and free trade. With the dangers of protectionism ever present, it was essential to undertake to maintain open markets. The Uruguay Round agreements were a great achievement. But if all the benefits were to be harvested, there was a need collectively and as individual nations to push ahead with implementing all aspects of the Uruguay Round commitments. Implementation was the top priority for business. It would be a crucial factor in securing their confidence and that of consumers in the multilateral system. A timetable for implementation had been agreed upon and commitments made to deadlines. It was imperative to stick to them. It was in the interest of all, developed and developing countries alike, to complete the process on time. The United Kingdom, therefore, urged all countries to put this high on their trade agenda. The continued strength of the rules-based multilateral system depended on it.

49. At the same time, it should be recognized that some aspects of implementation raised concerns, particularly for developing countries. Within the WTO, those concerns should be addressed and positive steps taken to resolve them. The European Community was resolved to making a constructive contribution by helping with technical co-operation. Particular attention should be given to the needs of the least-developed countries. The High-Level Meeting in October 1997 had been a good start, but progress depended on the follow-up. The Ministerial meeting was a timely opportunity to give renewed impetus to that work. Effective co-ordination between the institutions concerned with delivering technical assistance programmes needed to be ensured. At the Ministerial Conference, there should be a

renewed determination to meet deadlines on implementation, a strengthened resolve to help developing countries conform to their commitments and to enhance their integration into the multilateral system by further reducing trade barriers against their exports. This was a historic meeting, but its real importance lay not in its role in history but in the contribution it could make to continuing liberalization in world trade.

50. The representative of Switzerland said that the implementation of WTO agreements remained a priority. The very credibility of the multilateral trading system depended on it, and achievements in the area were encouraging. The evidence of this was the will of governments to fulfil the obligations they had contracted. The strong growth of world trade that had taken place over the past few years, demonstrated that the respect of commitments produced tangible results. The situation of the least-developed countries remained a concern. It was therefore urgent to take decisions to further their participation in world trade and for it to take concrete form. For its part, Switzerland had carried out a complete revision of its scheme of tariff preferences. Henceforth, least-developed countries would pay no duties for all industrial products and for most agricultural products. Furthermore, Switzerland would make a contribution of SwF 1.5 million towards the financing of technical co-operation activities in the WTO, in particular to develop and enhance assistance in favour of least-developed countries. Finally, there was a need to respond to the growing interest in the WTO by intensifying dialogue with the public and by improving transparency of the activities of the Organization. The revision of the procedures for circulating WTO documents which would be addressed shortly was likely to achieve progress in that direction.

51. The representative of Mauritius said that it was the responsibility of Members to ensure that the WTO developed into a more viable and durable multilateral trading system that would inspire confidence in one and all. To that end, there should be an endeavour to preserve the basic principles enshrined in the Agreement establishing the WTO. One of them related to the decision-making process. The commitment to make the WTO a fair, equitable and more rule-based system should be maintained. Attempting to fulfil the wide range of WTO obligations entailed the difficult exercise of introducing appropriate legislation. Mauritius had taken a series of decisions to comply with its commitments, but there were constraints arising from a lack of technical capacity and financial resources. Although it had had recourse to the service of international consultants, it was still behind schedule in a number of areas. Therefore, there was a need not only for technical assistance, but also for a longer transition period for incorporating WTO provisions into domestic legislation. The notification obligations put undue pressure on the already strained administrative and technical resources particularly of small developing economies like Mauritius. The more it strove to comply with its notification obligations, the more it appeared to be an unending exercise. The inequity of this requirement was that issues and procedures of notification were the same for all Members whether developed or developing. The notification procedures needed to be reviewed and streamlined in order to take into account the practical problems encountered by developing countries.

52. Since the conclusion of the Uruguay Round, the price of basic foodstuffs had risen considerably, thereby increasing the food-import bill of the least-developed and net food-importing countries. This had strained Mauritius's much-needed resources and diverted funds initially meant for the creation of development projects. Contrary to the Marrakesh Ministerial Decision and the Singapore Ministerial Declaration, necessary corrective measures had not been taken by the international community. There was an urgent need, therefore, to address this problem immediately. The target date of 2000 was approaching when developing countries were expected to shift to the GATT valuation system. Mauritius was concerned that it could run the risk of not being ready to implement the Agreement on Customs Valuation by that time. Article 20.3 of this Agreement made provision for the possibility of developed countries furnishing technical assistance to developing countries upon request. Mauritius had been trying for more than two years to seek technical assistance to implement the agreement, but this had not been forthcoming. Mauritius, therefore, proposed that the transition period granted to developing countries for the application of the Agreement be further extended. Moreover,

although considerable progress had been made in the work programme for the harmonization of non-preferential rules of origin, Mauritius could still be behind schedule by the target date of 20 July 1998. Several developing countries had not fully participated in the technical discussions on rules of origin because of resource and capacity constraints.

53. Mauritius attached considerable importance to trade in services. Constrained by its small size, scarcity of natural resources and geographical isolation, Mauritius relied on a service-oriented economy. During the past negotiations in the context of GATS, Mauritius had made a significant contribution to liberalization commitments in tourism, telecommunications and financial services. In order to encourage the developing countries to participate effectively in international trade in services, it was important that the principle of special and differential treatment be fully incorporated in the framework of GATS. Mauritius was taking positive steps to comply with the provisions of the TRIPS Agreement. It had already brought its copyright legislation into conformity with the provisions of the WTO. It was currently in the process of amending the patent and trademark legislation. However, it was necessary to ensure that countries like Mauritius had adequate resources to comply with the complex and far-reaching provisions of the TRIPS Agreement. Otherwise, incomplete or non-compliance could debar them from access to technology or new plant varieties. Worse, it could even lead to a situation where their traditional practices were endangered, some generic names and geographical indications foregone, and proprietary rights and patents lost. Their serious shortcomings in resources could result in opportunities lost and retarded development. Urgent attention and concrete measures to redress the shortcomings were therefore warranted.

54. The representative of the European Communities said that the starting point on the implementation of the Uruguay Round Agreements and Ministerial Decisions should be the clear and unqualified commitment of all Members to implement fully and in a timely manner. Anything falling short of this would undermine the credibility of the multilateral trading system. The WTO had rightly devoted time and effort to its essential task of monitoring the implementation of various Uruguay Round Agreements. In overall terms, the WTO had carried out this monitoring role in an effective manner and the process of implementation of the Uruguay Round commitments was on the right track. The Community believed that such work should be intensified in the context of the preparations for the 1999 Ministerial Conference. The Community was proud of its record with respect to the liberalization of imports from least-developed countries and in particular regarding the implementation of the recommendations of the High-Level Meeting on Least-Developed Countries. At present, 99 percent of the Community's imports from least-developed countries entered duty-free. In certain areas, however, the record was not as positive. In particular, in areas as complex and controversial as agriculture, the Community was disappointed that the commitments to negotiate stricter disciplines on export credits had not thus far been possible. Furthermore, the full potential of the mandate of the Committee on Trade and Environment had not been realized and, as indicated by the Director-General, means had to be found to intensify its work. The dispute settlement mechanism provided an effective means of redress when a Member was not in compliance with its WTO obligations. It was encouraging that all Members had thus far complied with their obligations under the Dispute Settlement Understanding.

55. The Community considered, however, that it was necessary to examine the difficulties that might arise in the process of implementation. Some Members had expressed concerns regarding their difficulties in adapting national legal and administrative texts to the Uruguay Round commitments. In the Uruguay Round negotiations, specific time frames had been agreed to give Members latitude to develop appropriate legislations. For those Members who had identified their needs, technical assistance had been provided to enable them to carry out their obligations, either at multilateral or bilateral levels. The Community believed that Members should reaffirm their commitment to answer promptly any further requests for such technical assistance. Helping Members to fully implement their commitments within the agreed time-frames should continue to be an overriding aim. The Community was ready to play its part in this task, and had already taken important steps, in particular through the provision of very substantial technical assistance in areas such as intellectual property, customs and

technical barriers to trade. Customs valuation appeared to be another area in which urgent action was required. The Community, in consultation with the Secretariat, would examine and identify the assistance programmes of relevance to the needs of developing countries. The Community was prepared to intensify its efforts and urged all its partners to do so. He reiterated that, overall, the Community was encouraged by the state of implementation. Most problems were not due to unwillingness to implement properly the WTO Agreements but due to difficulties in developing the required legislative and administrative basis. Such difficulties could be jointly overcome within the time-frames set by the different Uruguay Round commitments. The Community therefore looked forward to future discussions on implementation to ensure that it would be carried out fully and in a timely manner. It was also necessary to improve the understanding of the public with regard to the need for full implementation. This could only be achieved by further improvements in transparency and openness of the WTO.

56. The representative of Kenya said that the proper implementation of the WTO Agreements would lead to a free and transparent global trading system, which in turn would contribute to growth and development. However, due to technological and human resource constraints, his country had not been in a position to fully implement and take advantage of the provisions of the WTO Agreements. Many developing countries were confronted with the challenge of overcoming their constraints with regard to their ability to manufacture products which could compete in international markets. In those areas in which developing countries had managed to produce competitive products, some major importers, in particular from developed countries, had imposed non-tariff barriers. The unnecessary and unwarranted use of sanitary and phytosanitary measures and other technical barriers to trade had resulted in market access problems. Kenya called on all Members to implement the WTO Agreements in both letter and spirit without creating barriers to trade. It also called on the major importers to remove existing quotas on textile products and to consider faster integration of products of export interest to developing countries. Technical assistance from its developed trading partners would enable Kenya to build its capacity of all aspects of trade and development. In the area of trade in services, his country welcomed the conclusion of the Agreement on Basic Telecommunications and Financial Services. In the area of professional services, however, Kenya was concerned about marginalization of its professionals at both global and national levels. For example, consultancy services contracted by multilateral agencies were exclusively being offered to professionals from more developed countries. His country called on its regional neighbours and developed countries to appreciate and use professionals in the services sector available in Kenya. Furthermore, he asked the Secretariat to undertake an in-depth study of the currency problems which had caused turmoil in Asia as well as the debt problems affecting developing countries.

57. The representative of Ghana reiterated his country's commitment to the rules and principles of the open and multilateral trading system. The structural handicaps affecting Ghana and other African countries were well-known. At present, in a global economy still characterized by enormous inequalities and asymmetries, the African region was the weakest group of countries. The complex obligations that the Uruguay Round had placed on African countries had resulted in additional stress on the already limited resources of the region. Despite the best endeavours, the fundamental problems and negative features of African trade continued to exist. In spite of far-reaching trade and macroeconomic reforms, many African countries continued to struggle with falling productivity in strategic economic sectors, in particular in the area of agriculture and industry, weak export performance, negative balance-of-payments and increasing foreign indebtedness. It was not surprising that Africa's share in world trade had steadily declined from 4.7 percent in 1980 to its current level of about 2 percent. The gap between African countries and developed countries in terms of production, technology and infrastructure continued to widen. With these apparent economic weaknesses, Ghana's primary preoccupation was to seek a change that would bring genuine competitiveness and equity in trade which would facilitate its full integration into the multilateral trading system. While it was important to ensure compliance with WTO obligations, it was also important to ensure that all Members, in particular the poor and fragile ones, could take advantage of the openings and trade opportunities which would positively transform their economies.

58. Members should be concerned that the trade performance of African countries continued to deteriorate. He noted that at the present meeting some developed countries had referred to this matter. An economically viable Africa performing its role in the multilateral trading system would be beneficial to all and would serve to boost global trade. Ghana's belief in the relevance of the multilateral trading system in creating and maintaining opportunities for sustainable development had been demonstrated by its active participation in WTO activities, in particular the post-Uruguay Round negotiations, despite its limited capabilities and resources. Ghana had participated in the negotiations on Basic Telecommunications and Financial Services and in both areas had made substantial offers. Ghana's capacity to participate in future negotiations would be enhanced if the weaknesses in its trade structure were addressed.

59. In this context, his delegation recognized the potential benefits that the Integrated Technical Assistance Programme carried out jointly by the WTO, UNCTAD and ITC had provided for Africa. This programme should at all stages of implementation involve consultations with the beneficiary countries to ensure that practical benefits would be achieved in the targeted countries. The following areas were of particular importance and should be addressed in the programme: (i) Improvement of the private sector capacity. The international trading environment had undergone tremendous changes, in particular as a result of the Uruguay Round. Numerous changes had been made in the ways of doing business. Since the new market opportunities resulting from the Uruguay Round had to be seized by the private sector, with little or no reliance on government, development of the private sector in Africa was imperative. There was a need for the private sector to be informed of the opportunities and changes resulting from the Uruguay Round and the private sector should therefore be an important aspect covered by the programme; (ii) Human resources training in trade policy. There was a need to upgrade the knowledge of trade officials in Africa in order to enhance their effectiveness and to enable them to meet expectations with regard to their larger role in the global economy; (iii) Access to market information. As a result of increased competition in the trading environment, availability of trade information and easy access to such information were important. The lack of information about export markets had been a major constraint in the export efforts of African countries. Technical assistance should focus on both the development of an efficient information base and how to access and use such information; (iv) Improvement in diversification of the export base. A basic problem of most African countries, including Ghana, was that of a limited export base. There was an urgent need to redress this unfavourable situation. It was important to develop specific programmes to address the supply-side needs of Africa to diversify the production base both horizontally and vertically in order to ensure a better response to market access opportunities. Numerous market access opportunities would be meaningless for Africa without such improvements. It was also important to develop research programmes for possible expansion of end-use products of export interest for African countries. Although globalization and liberalization imposed additional strains on countries such as Ghana, his country viewed these difficulties as challenges which could be overcome provided a cooperative approach to their resolution was adopted. Ghana called on developed countries to ensure a truly open market regime.

60. The representative of Cyprus said that his country fully supported trade liberalization and had given serious consideration to the need for timely implementation of WTO obligations. Thus far it had met all its obligations. Cyprus had demonstrated its commitment to an open economic system by unilaterally implementing a policy of import liberalization, eliminating non-tariff barriers and reducing tariff duties beyond its commitments and obligations. In the rapidly growing area of services, Cyprus had made new offers on financial and basic telecommunications services. His country intended to achieve greater liberalization by eventually making its inward and outward investment in those areas more open, stable and liberal. With regard to intellectual property, a new Trademarks and Patent legislation had been enacted bringing it into conformity with the TRIPS Agreement.

61. His country's accession negotiations with the European Communities had already begun. Future membership in the European Communities would lead to its greater integration into the global

economy. Cyprus considered that this regional agreement was complementary to the multilateral trading system and consistent with WTO rules. His country had a long trade history, with its unique geographical location and its vast experience in the area of trade, and the prospective membership in the European Communities would strengthen its position as a trading centre. Cyprus had excellent relations with all its neighbours and could serve as an international, commercial, financial and services centre in the region. He said that it should be ensured that benefits and opportunities of global integration accrued to developing and least-developed countries and economies in transition. These countries should not be marginalized but should be helped to integrate into the world trade order. Problems faced by small countries, like Cyprus, should not be overlooked. Substantial adjustment costs were associated with the liberalization of small countries' economies. Technical assistance would therefore be required to increase their understanding of the obligations and rights under the new trading system. The present meeting was a unique opportunity to further promote the goal of global trade liberalization and to send a strong message in support of this goal. However, it was important not to set demands at levels that would make agreement impossible. All issues should be discussed in a conciliatory spirit and decided by consensus.

62. The representative of Belgium recalled that at Singapore, Ministers had made commitments with regard to the following points: (i) to further strengthen the WTO as a forum for negotiations; (ii) to continue liberalization of trade within a rule-based system; and (iii) to address the challenges of an evolving world economy. In a world of accelerated globalization, a new and dynamic approach was required which would take into account the need for the opening of markets necessary for growth and stability, as well as the expectations of all countries and their peoples. In this context, the WTO had an important role and responsibility. It should adopt a horizontal approach in order to take into account all the issues affecting trade directly and indirectly, which had become more interdependent. In this context, the effective implementation of the Uruguay Round commitments was of primary importance, and the application of all agreements by Members was essential for the success of the WTO. His country recognized that some Members had encountered difficulties in this process and was ready to provide technical assistance as it had done in the past. The ongoing work of the WTO bodies did not preclude the search for broad and common political grounds and for the understanding of civil society. With regard to the latter, progress still had to be made. This was the responsibility both of governments and the WTO, which should be able to explain the costs and benefits of trade liberalization. The work on transparency was particularly important in view of the approaching deadlines set out in the Marrakech Agreement, in particular in the areas of services and agriculture. This support of civil society could also be achieved through a more balanced approach of trade liberalization which would ensure the broadest scope of issues and regions. Belgium believed that trade could not contribute to the well-being and improvement of living standards unless elements such as social standards, the environment, and the need for solidarity and development were taken into consideration. His country supported the appeal by the Director-General to give a political impetus to work in the area of the environment.

63. The WTO was a universal organization, and it was therefore essential that the greatest importance be attached to requests for accession without undermining the principles and demands required for joining the WTO. The WTO should enable the weaker economies to join the system of trade and reciprocity, and had a major responsibility to developing countries. This had been recognized in Singapore when the Plan of Action for developing countries had been adopted and when support had been given to the High-Level Meeting on least-developed countries. The measures adopted in favour of developing countries should be implemented. For its part, the European Communities had implemented its commitments by providing new and preferential market access. His delegation believed that after 50 years of eliminating trade barriers, the WTO and its Members had to maintain this momentum and respond to the concerns of those who considered globalization and liberalization as a threat to their future.

64. The representative of Thailand said that in spite of the on-going economic crisis, his country remained fully committed to a fair and open trading system. Thailand hoped that its trading partners

would do the same. His country's economic recovery was heavily dependent on the WTO. He emphasized the need to pay more attention to the results of liberalization and not to be overtaken by rhetoric and ambiguities. In this regard, the following points should be taken into account in order to achieve successful implementation. First, in order for developing countries to make efforts towards liberalization, the benefits arising from an open and fair trading regime should be equally distributed. Therefore, serious efforts should be made to lend support and offer technical assistance to enhance the capacity of developing countries to benefit from liberalization. Second, the continuation of trade liberalization in agriculture was extremely important, given the need to balance the Uruguay Round benefits and to strengthen the least-developed countries in order to prepare them for future liberalization efforts. Current efforts to liberalize trade in agriculture should not be diluted by preparations for future liberalization. Third, some Members had yet to demonstrate their willingness to fully abide by their obligations. Thailand stressed the need for strict compliance with commitments. Partial and half-hearted participation in the liberalization process might not only not bring beneficial results but might also undermine the rule-based trading system which operated by consensus.

65. The representative of Costa Rica highlighted his country's interest in implementation of the WTO Agreement. Over the past three years, Costa Rica had noted a satisfactory implementation of WTO Agreements which had enhanced predictability and security in international trade relations. His Government attached great importance to the dispute settlement system and noted with satisfaction the strengthening of this system. Under the Dispute Settlement Understanding (DSU), in situations where a Member considered that benefits accruing to it under the covered agreements had been impaired by a measure taken by another Member, the Dispute Settlement Body (DSB) had made recommendations to preserve the rights and obligations of Members. The DSU had made an outstanding contribution to the implementation of WTO Agreements in both letter and spirit. It was timely to stress the commitment made by Members to the principles and rules of the dispute settlement system and to strict compliance with the DSB's decisions. Costa Rica was aware of the existence of certain problems and would contribute to the review of the DSU to be undertaken in the near future.

66. The implementation of the Agreement on Textiles and Clothing had continued to raise serious concerns. The first major review of the Agreement carried out by the Council for Trade in Goods had demonstrated the dissatisfaction of the textiles exporting countries with the restrictions imposed by the importing countries in this sector. The first two stages of integration of these products had been insignificant from the trade point of view, since the most important products for the exporting countries continued to remain subject to restrictions. Furthermore, use of the safeguard mechanism had caused considerable problems which had to be rectified through the dispute settlement system.

67. The Agreement on Agriculture, one of the most important achievements of the Uruguay Round, had been applied in a satisfactory manner. The review of the market access commitments in the Committee on Agriculture had given positive results. The review of the application and use of tariff quotas had demonstrated the need to establish clear rules on the administration of such quotas, so as to ensure that access was provided by the quotas. The monitoring of the application of the Agreement, based on notifications by Members, had shown some difficulties with regard to compliance with obligations. However, most of these problems had been resolved. Compliance with the notification obligations had continued to be one of the major concerns of Members. Although full transparency had not been achieved, improvement in compliance with this obligation had been noted during the past three years. The work of Members to comply with the Uruguay Round obligations had been difficult. However, in spite of some problems, the work done in the past three years had been satisfactory and had demonstrated the degree of commitment of all Members to achieve the objectives set out in Marrakesh.

68. The representative of Zambia associated his delegation with the previous speakers. He recalled that fifty years earlier, a challenge had been taken to promote international trade. Considerable progress had been made with regard to trade liberalization, but much still remained to be done in the areas of agriculture and textiles. Continued trade liberalization and strengthening of an open, rule-based, non-

discriminatory multilateral trading system remained very important. However, only the actions undertaken by countries willingly and not subject to coercion could lead to lasting and fair trade liberalization. In this regard, Zambia remained fully committed to trade liberalization. The implementation of the Uruguay Round commitments should be pursued since the credibility of the WTO depended on it. While the WTO Agreements contained specific deadlines with regard to the timing of the implementation of various obligations, countries like Zambia had faced constraints and difficulties in complying with all its obligations. These constraints were the lack of resources and technical capacity. This had led to his country's forfeiting certain important rights. To ensure effective participation and integration in the multilateral trading system, a mechanism should be put in place to allow countries with difficulties, such as Zambia, to restore their lost rights and meet their obligations. In addition, there was a great need for the international community to recognize and to acknowledge that external debt had become, and continued to be, a serious burden for least-developed countries which expected to be integrated into the international trading system. This was a major constraint to economic growth and the governments' ability to respond to the challenges of poverty reduction.

69. Commitments had been made by some developed countries to provide technical assistance to countries like Zambia. His delegation commended all those countries, and in particular those that had pledged to provide technical assistance to equip developing countries with the necessary skills to participate effectively in the multilateral trading system. The integrated initiative for least-developed countries' trade development had demonstrated Members' commitment to finding solutions to the problems of least-developed countries. Zambia welcomed the indications of intentions to improve market access in favour of exports from least-developed countries, which would soon be notified to the Secretariat. However, there was a need to eliminate all trade barriers in favour of least-developed countries. Consideration should be given to finding ways to enforce the intentions of improving market access. It should be ensured that the benefits of the multilateral trading system were extended as widely as possible. The WTO needed to recognize the diversity in the level of development and trade interests among Members. It also needed to be a credible institution capable of responding to the aspirations of all its Members.

70. The representative of Cuba said that with regard to implementation of the WTO Agreement the obligations accepted by developing countries were greater than those of developed countries despite more favourable time-frames for the latter. In the short period of time that had elapsed since the entry into force of the WTO Agreements, it had been difficult to amend legislations in order to bring them into line with the new requirements. However, instead of considering the efforts made as a positive contribution, more and more was being required of developing countries without offering them anything in exchange. Furthermore, in some cases attempts were being made to ignore the special and differential treatment for developing countries provided in some Agreements. The same efforts had not been made by developed countries with regard to implementation of certain Agreements, in particular in the very sensitive areas such as agriculture and textiles. A realistic evaluation should consider the extent to which the application of the Uruguay Round Agreements had positively contributed to the trade and development of developing countries. Such an analysis would contribute to a better preparation of future negotiations, in particular in the sectors of interest for developing countries. Therefore, the present Ministerial Conference should adopt appropriate guidelines for the General Council to take into account the interests and needs of the great majority of developing countries and ensure that the benefits resulting from the new trade regime were distributed equally among all Members. Under the present realities of intense competition, special conditions should be guaranteed to small economies to enable them to comply with their obligations without further burden.

71. The representative of Burkina Faso said that his country was one of the founding Members of the WTO and wished to reaffirm its attachment to the multilateral trading system. Burkina Faso believed that the multilateral trading system had provided a framework to create prosperity and promote the well-being of mankind. However, special attention should be given to the concerns

expressed at the present meeting, namely that least-developed countries had encountered enormous difficulties in the implementation of the WTO Agreements. It was necessary to provide technical assistance to those countries. Burkina Faso welcomed the Plan of Action, but believed that it was necessary to go further and to improve market access for products from least-developed countries. This would enable those countries to build a more solid basis to reduce poverty through improved investment. The process of regional integration should be encouraged, because globalization first had to strengthen the local and regional processes of production and marketing.

72. The representative of Venezuela said that the liberalization of trade and the integration of economies were the fundamental bases for economic growth which could contribute to the social development of nations. The Uruguay Round had produced important contributions for strengthening these bases by widening market access and consolidating a set of multilateral rules and disciplines. On this basis, countries should be able to implement economic policies that were ever more harmonized and complementary, as well as consistent with the development goals of each. The Preamble to the WTO Agreement stated that Members' trade relations should tend towards positive achievements in the area of employment, and an increase in real income and production. This was consistent with the concept of liberalization as an instrument of development. Consequently, the multilateral trading system through successive improvements in its rules should afford the opportunity to developing and least-developed countries to have effective policy instruments to stimulate productive development which would serve as a foundation for their successful contribution to global trade. In this context, trade liberalization was a necessary component of the economic reform programmes carried out by many developing and least-developed countries. One had to recognize in this context the real difficulties that some of these countries might have to face to satisfy demands to adjust to the multilateral trading system as well as to overcome the social costs and internal difficulties in the transitional phase. One important area where these principles could be applied for productive development was direct foreign investment where countries had to guarantee non-discriminatory treatment and the necessary legal security for investors, as well as maintain the capacity to stimulate investments and the transfer of technology towards activities whose modernization and integration were considered a priority. Future negotiations in this area should not do without the provisions that were required for this process.

73. The implementation of some disciplines in the agricultural area presented an important challenge for developing countries like Venezuela that were net food importers and which were engaged in a process of modernization and the raising of productivity. This was a priority area for Venezuela in the future negotiating agenda, and it hoped that the negotiations would reduce the imbalance between developed and developing countries, offer opportunities for the adoption of rules to facilitate the application of policies directed towards productive development, as well as increase the competitiveness of developing country agriculture. As regards regional agreements, Venezuela had no doubts as to their compatibility and complementarity with the multilateral trading system. It believed that regional agreements strengthened the results of the Uruguay Round by contributing to the growth and liberalization of trade. One had to highlight the efforts by regional blocs to help the rationalization of standards within their markets, thus consolidating the process of transparency, the modernization of institutions, and compliance with obligations under the multilateral trading system. Venezuela saw two basic tasks for the WTO in the immediate future: first, to resolve the problems of implementation and to continue evaluating compliance with obligations under agreements currently in force, and, second, to make progress on the obligations set out in the built-in agenda and in the decisions taken at Singapore. The negotiations and review called for in the built-in agenda should receive priority attention before negotiations on new issues, in particular if they led to new obligations that would make it difficult for some developing countries to comply with them.

74. Venezuela believed that any initiatives to link the rules of the multilateral trading system with issues that were outside its scope, such as defense of human rights and workers' rights, would be counterproductive. These issues should be taken up in other more suitable and specialized fora.

Venezuela also wished to highlight the importance of the dispute settlement system as a means of guaranteeing the confidence of Members in the WTO. Venezuela reiterated support for the review of this system which would permit it to be improved. Venezuela believed that the efficacy of this mechanism would be maintained provided that there was an effective participation in all stages of the dispute settlement process by all Members without any constraints arising from an inability to obtain legal advice or financial resources to cover the expenses that a resort to the procedures gave rise to.

75. The representative of Myanmar said that his Government had made its observations on the implementation of the WTO work programme and also on the future activities of the WTO in its statement circulated to delegations. Myanmar had conducted a review and assessment of the WTO work programme, including the items in the built-in agenda and the first Ministerial in Singapore in December 1996. While some progress had been made in the continued negotiations that had followed, it believed that in the period of 16 months after the Singapore Ministerial Conference, one could not expect more progress than this, and that the progress thus far was quite satisfactory. As for the future work programme, he wished to draw attention to the economic and trade sanctions occasionally imposed by major trading partners that were the core Members of the WTO on other developing country Members of the WTO. Some trade preferences like GSP had been withdrawn and different non-tariff measures had been introduced in recent years on products of the developing countries. This was not in line with the multilateral trading system and would be detrimental to trade liberalization and globalization. These kinds of undesirable activities should be stopped immediately and should also be considered in the future work programme.

76. The representative of Spain said that his Government also attached great importance to the full implementation of the WTO Agreements and Ministerial Decisions. Implementation was essential to ensure the credibility of the WTO which, through the liberalization and expansion of trade, had contributed greatly to the growth of the world economy, to the creation of employment, and to the raising of living standards for the benefit of all. In the examination of implementation that Members were undertaking, they had been able to see the road that had been travelled thus far, as well as certain aspects that required further attention. Spain wished to emphasize, among other things, the need for full compliance with the commitments and the obligations of notification, including at the sub-Federal level, the faithful application of the provisions of the TRIPS Agreement, as well as the full development of the avenues for negotiations available thereunder, in particular on the issue of denominations of origin. Members had to renew their efforts to continue and to complete the implementation of all that they had agreed to, including the commitment to negotiations and reviews under the built-in agenda, in full respect of the agreed deadlines. Spain, within the European Community, had spared no efforts for the faithful implementation, in both letter and spirit, of its commitments under the various WTO Agreements. It had also contributed in a meaningful way to the progress of liberalization carried out since the Singapore Ministerial Conference, particularly in the sectors of telecommunications, financial services, and information technology products. Spain would continue to devote its full attention in the future to the implementation of the Agreements. In this way, all Members would benefit fully from the opportunities that the multilateral trading system offered them and to which they had made their contribution.

77. The representative of Côte d'Ivoire said that like most developing countries, Côte d'Ivoire was working very hard to implement the Marrakesh commitments in spite of the difficulties encountered. It was in this connection that Côte d'Ivoire had undertaken a number of activities with a view to honouring its commitments. This was also why Côte d'Ivoire had undertaken important institutional, regulatory and legislative reforms, and liberalized trade. Côte d'Ivoire supported the Ministerial statements by Ministers of various country groups, particularly the Organization for African Unity (OAU) and the African, Caribbean and Pacific (ACP) States. In this intervention, he wished to draw attention to a question which his delegation felt was important: the dispute settlement system which imposed on the country having felt prejudiced in its relations with another country the task of proving the harm it had undergone. Therefore, when a country accorded subsidies, the Côte d'Ivoire was required to send

experts to this country in order to examine the situation and bring back proof. This was a dangerous and costly procedure for countries which very often had no national expertise. In the opinion of Côte d'Ivoire, in view of the difficulties connected with this kind of operation, it was highly desirable that the multilateral system establish neutral and independent expertise which could be resorted to each time there was a need for such an investigation, even before the Dispute Settlement Body took decisions.

78. He also wished to draw attention to the problem of raw materials. The subject had been dealt with in other places, with a lot of consideration and interest, and he was very gratified by that. But, trade in the commodities that most developing countries exported gave rise to a number of problems. It was therefore important to stress that these products, which were among the rare ones to be quoted on the stock exchange, underwent manipulations by speculators of a more or less transparent nature. So, the wish of this delegation was that in the future work of the WTO, more attention be given to this subject. He encouraged the Secretariat to continue its assistance in the field of training because for these countries it was important to establish national competence quickly so that the multilateral trading system could expand and flourish. In conclusion, he wished to reaffirm Côte d'Ivoire's faith in the multilateral trading system.

79. The representative of Brazil said that his Government's perspective of the implementation process had two basic parameters. First was the continued process of economic reform in Brazil and the Government's resolve to open Brazil's markets to foreign competition. The second was the creation and development of the MERCOSUR which coincided in time with the establishment of the WTO. During the initial few years of implementation of the WTO Agreements, Brazil had managed to reform its economy by establishing monetary stabilization, curbing inflation and maintaining the latter at very low levels, privatizing state companies and deregulating the economy. Those were the tasks that Brazil had achieved together with the process of trade liberalization. The WTO Agreements had been instrumental for Brazil in this process. On the one hand, the Agreements had served as a basis for the trade instruments adopted by the Government, and on the other Brazil had been using the mechanism foreseen in the WTO to protect and further its legitimate interests. At the same time, Brazil and its MERCOSUR partners had been actively building a customs union which had been creating trade opportunities for all Brazil's partners in full conformity with multilateral rules. The regional integration process had served as a baseline for the wider opening of Brazil's economy. The figures were striking: total imports from countries outside the customs union had increased by 113 per cent between 1992 and 1996. For example, MERCOSUR imports from the European Community in the same period had increased by 143 per cent. Unfortunately, trade opportunities created by MERCOSUR and by the stabilization of the Brazilian economy had not been matched by similar opportunities for Brazil's products in foreign markets. Exports of MERCOSUR products to countries outside the customs union had increased by only 47 per cent from 1992-1996 and this was at least partly due to the lack of implementation of WTO Agreements by Brazil's partners. Brazil certainly wanted to see more commitments in areas such as agriculture and textiles, sanitary and phytosanitary measures. Moreover, abusive recourse to trade remedies such as anti-dumping, in particular, where WTO disciplines were not too stringent, had also lowered the standard of implementation of the agreement. One major trading partner, for example, currently maintained no less than 140 anti-dumping measures in the iron and steel sector alone. But there was also good news with regard to implementation. The best news was the working of the dispute settlement mechanism. Having been a frequent customer of the system both as a complainant and respondent, Brazil was encouraged by the results achieved by the dispute settlement mechanism. It had enhanced confidence in the organization and had allowed the rapid settlement of disputes that might otherwise have gone sour. Also important was the dissuasive effect of the mechanism. To conclude, from Brazil's point of view, the WTO had worked well and most of the Agreements had been implemented faithfully although there was certainly room for improvement in specific areas.

80. The representative of Peru said that from the beginning of the GATT, Peru had played an active role in this important multilateral forum. Continuing this tradition, since the establishment of the WTO, Peru had made great efforts to meet its varied and complex commitments under the Uruguay Round.

Peru was aware that transparency was a fundamental principle of the multilateral trading system, in the sense of a reciprocal surveillance mechanism directed towards evaluating the application of the agreements and thereby ensuring respect for the rules of the game. The liberalization of trade in services was a matter of particular interest to Peru. In the context of the reform process initiated in the early 1990s, his country had unilaterally liberalized its services market. The successful conclusion of the negotiations on financial services and basic telecommunications, in which Peru had participated actively, undertaking important liberalization commitments, had raised great expectations of the forthcoming negotiations in this area. As services exports from developing countries usually had a large labour component, further progress should be made in liberalizing restrictions on the movement of natural persons supplying services so as to achieve a satisfactory balance in trade in services. In this context, Peru would take an active part in the negotiations agreed for the year 2000 to liberalize all services. Peru had long been an efficient producer of high-quality textiles and clothing, which was why it believed that satisfactory implementation of the relevant agreement, particularly the clauses referring to small suppliers, was of vital importance for it. Peru believed that agricultural reform, of which the first step was the Agreement on Agriculture currently being implemented, was a continuing process aimed at achieving in the future a market-oriented agricultural trading system in which developing countries could compete on fair terms. Products of interest to developing countries should therefore be given substantially improved market access opportunities.

81. Peru considered the WTO's dispute settlement mechanism to be an essential element in reinforcing both security and predictability for the effective exercise of the disciplines in the multilateral trading system. Peru therefore welcomed the initiation of the review of the Dispute Settlement Understanding in order to make it more effective in ensuring a multilateral trading system in which legally binding commitments were strictly observed. In view of the growing liberalization of international trade, it was particularly important for Members to continue studying the interaction between trade and competition policy. To this end, Members had to spur the activities of the Working Group set up to study this issue in order to design future competition regimes within the multilateral order capable of preventing or sanctioning possible anti-competitive behaviour, thus ensuring that this type of behaviour did not nullify the benefits created by multilateral trade liberalization for the sound functioning of markets and the consumer society world-wide. Members had also to continue studying the relationship between trade and investment in order to achieve within the WTO a comprehensive and balanced treatment linking investment with growth and development. Thus, the progress being made in this forum was of particular importance, in view of the stalled negotiations on the adoption of a Multilateral Agreement on Investment in the OECD. Lastly, Peru had high expectations of the future negotiations within the multilateral framework. Peru believed that these should follow a comprehensive approach so as to achieve a balance among the trade and economic interests of all Members. It was also essential that the WTO's future agenda should only include issues that had been properly considered in the WTO and on which there was a genuine consensus before they were incorporated in a negotiating process.

82. The representative of the Philippines said that the Philippines accorded the highest importance to the full and faithful implementation of the WTO Agreements. Since the last Ministerial Conference, Members had gained more experience in the implementation of these Agreements, and in the education process for specific issues Members had decided to pursue in Singapore. The experience thus far had yielded mixed results and, in the case of some Agreements, possibly pointed to some more fundamental reassessments in the future. He would cite only a few important topics. The full and faithful implementation of the Agreement on Textiles and Clothing was of central significance to many developing countries. But the manner in which certain large importing countries had eliminated restrictions on items that were politically sensitive to them - but commercially important to exporting countries - had cast serious doubt on whether or not the Philippines could reasonably expect the full integration of the sector into WTO rules by 2005. The Philippines believed that the situation had to be rectified so that the original objectives of the Agreement could be set on track before 2005. In the area of agriculture, the work of the Committee on Agriculture with respect to the monitoring of commitments

had thus far given disproportionate emphasis to compliance with market access commitments, but had lacked close scrutiny of the implementation of commitments with respect to domestic support and export subsidies. The Philippines wished to see this imbalance rectified.

83. The Philippines also wished to point to the unacceptable cases of *de facto* circumvention of export subsidy commitments by certain major players who had recently decided to rollover unused budgets for export subsidies from a previous period to the next. Such action was deplorable because it contradicted the underlying spirit of the Agreement, and only served to intensify the subsidies war and the havoc it wreaked on the Philippines trade. Thus, even as the Philippines devoted significant attention to the next round of agriculture negotiations, it would devote equally serious attention to the review and monitoring of the implementation of the Agreement. In the case of the review of the SPS Agreement, it was essential that the review should not give rise to amendments that would weaken the basic principle that SPS measures should not be used indiscriminately and without scientific basis. It would also be important to note that, in respect of other agreements, developing countries had encountered difficulties in complying with their obligations and, in some cases, had been challenged before the Dispute Settlement Body. The Philippines was of the view that the pursuit of a legalistic approach, to the exclusion of other considerations, in resolving implementation issues was not necessarily the best option especially if it involved developing countries. Such an approach could dampen the ability and political will of developing countries to make more ambitious commitments in the future and might deter the full integration of developing countries into the multilateral trading system. Differential and more favourable treatment of developing countries went much beyond the mere extended transitional time-frames allowed for developing countries. On the contrary, it encompassed a general frame of mind in dealing with smaller and weaker trading partners, so much so that, in the exercise of their rights, it was expected that developed country Members would act with circumspection and due restraint when calling to task developing country Members in connection with the performance of their obligations. This was not a matter of charity or mere tolerance; rather, it was intrinsic to an understanding among economic unequals.

84. The representative of the Czech Republic said that his Government welcomed the innovative approach aimed at the delivery of short statements which should allow a lively exchange of views, including on-the-spot reactions to thoughts expressed by others. If Members succeeded in following the principle of being brief when commenting on the future work programme, the new form of discussion could constitute an important value added by this Conference. The smooth implementation of WTO commitments had contributed significantly to the transformation of the Czech Republic from a centrally planned to a market economy. The recent cornerstones in this process were the successful negotiations on financial and basic telecommunication services and on information technology products. In these negotiations, the Czech Republic as an open economy had undertaken meaningful commitments. The Czech Republic was of the view that if implementation of WTO Agreements continued to proceed well, Members would opt for a more forthcoming approach vis-à-vis future comprehensive negotiations. The Czech Republic attached great importance to the accession process, since it was a tool for further deepening and broadening of implementation. The Czech Republic took the view that rather modest progress had been made since the Singapore Conference. It supported further intensification of this process but hoped equally that the countries seeking accession would become Members on viable commercial terms. The achilles heel of the present WTO was unequal opportunity for the least-developed countries to take advantage of the achievements of the multilateral trading system. The Czech Republic would continue to contribute effectively to better involvement of these countries in the WTO. The post-Ministerial Conference period had to bring further tangible results in this respect which would increase efficiency not only of the participation of least-developed countries but of the WTO as a whole. Finally, among the specific areas in which his country was experiencing certain difficulties, he wished to mention the examination of regional agreements in the Committee on Regional Trade Agreements. Here, the Czech Republic shared the concerns expressed by several delegations, including the representative of Hungary. In the view of the Czech Republic, between the first and the second

Ministerial Conferences, the WTO had generally been successful in pursuing its liberalizing mission and in implementing its commitments.

85. The representative of Jamaica said that Jamaica, like other countries which had already spoken, placed great importance on the implementation process, especially in those areas where developing countries had not yet seen the expected results and benefits. Jamaica believed that the evaluation process would be more effective if more information was available so that the gains and losses of the liberalization process over the past few years could be assessed. In the draft Ministerial Declaration which would be put to Ministers for decision, Members would set in motion a process to ensure the full and faithful implementation of the existing agreements. It was Jamaica's view that this process had three dimensions. First, the scope of the process should be inclusive and balanced. Members needed to fully honour mandates which had been reached by consensus and for the work to proceed as expeditiously as possible so as to ensure that the momentum of liberalization was maintained. It was important to ensure, however, that all Members were able to move in unison with the process. Secondly, in terms of structure, there existed already a machinery which was supervised at the top by the Ministerial Conference, the General Council and its many specialized negotiating bodies. The principles of transparency and consensus in decision-making at all levels in the WTO had to be respected. The third dimension was that of time-frame and Jamaica believed that it would be more appropriate for the third Ministerial Conference to be held in the year 2000.

86. The representative of Indonesia said that it would be appropriate for Members, on the occasion of the 50th anniversary of the multilateral trading system, to rededicate themselves to its lofty principles and noble objectives. At the same time, Members had to muster their resolve to consistently implement the system to the benefit of all. In this context, while being encouraged by the progress achieved by the system thus far, Indonesia felt obliged nevertheless to register its continuing concern that, four years after Marrakesh and eighteen months since Singapore, the implementation of the Uruguay Round Agreements did not yet fully meet Indonesia's expectations, and that many of the promises remained unfulfilled. It was thus evident that the question of implementation should by no means be underestimated. One persistent problem of implementation was the lack of technical ability experienced by many developing countries, particularly the least-developed among them, in fulfilling some of their contractual obligations, such as that of notifications. In this regard, Indonesia, encouraged the Working Group on Notification Obligations in its work to standardize and above all simplify, notification procedures while ensuring transparency and compliance. In the same vein, while appreciating the efforts undertaken thus far, Indonesia urged the WTO to increase technical assistance to those countries in need. It was also disquieting for Indonesia to note the progress, or rather lack of progress, of the application of the provisions on special and differential treatment for developing countries. Therefore, Indonesia called upon all Members to make stronger commitment and to take more concrete actions in the implementation of these essential provisions. An equally important implementation problem related to measures taken by some more sophisticated Members which might not explicitly violate the letter of the agreement, but which in effect ran counter to its very spirit. Examples included cases of misuse of transitional safeguard measures, unilateral rules of origin and the so-called "back-loading" in the implementation of the Agreement on Textiles and Clothing which delayed and hampered the rightful benefits for exporters. Therefore, developed importing countries had to faithfully adhere to the Agreement on Textiles and Clothing and fully comply with the agreed schedule for the integration of textiles and clothing into the system.

87. The proliferation of abusive anti-dumping measures was another clear example of unfortunate problems of implementation which had to be seriously addressed and speedily resolved. Members were meeting against the backdrop of the financial crises in Asia with its profound impact on other economic sectors, including trade, and widespread ramifications for other regions. It was ironic to note that all the affected countries were precisely those which had pursued policies of opening up their economies and liberalizing trade and investment. In this context, Indonesia fully agreed with the view that, while not being the cause of the crisis, trade should constitute an essential element for its solution through market

opening by all. For their part, while conducting drastic structural adjustment often at enormous social cost, the affected countries like Indonesia were consistently pursuing their trade liberalization process. But this was one-sided and not enough. In order to make trade really an element of the solution to the crisis, it was hoped that all trading partners would also allow greater market access for products of export interest to the affected countries. Furthermore, it was now becoming more urgent than ever for all Members to have a deeper understanding of, and seriously address, the relationship between trade and international financial and monetary stability, including the intricacies of trade in currencies. In conclusion, while he was here to join the distinguished commemorative gathering mainly to discuss what Members could do for the multilateral trading system, the suffering people of Indonesia were looking forward to what the multilateral trading system could do for them. He hoped that the results of the Conference would not deceive them.

88. The representative of Bolivia said that as a signatory to the GATT and the Marrakesh Act, Bolivia abided by their principles and welcomed the progress made in implementation of the WTO Agreements. Bolivia did so because it was convinced that, through liberalization of multilateral trade, Bolivia's economy would grow and so improve the quality of life of its people. Bolivia had adopted a free-market economy and was in the forefront of reforms of the first and second generation, in the political, social and economic spheres, and this without hindering its increasingly liberalized trade. Bolivia would continue to do so because it believed that, through the WTO, it would be easier to deal with the effects of liberalization. As the Prime Minister of the United Kingdom had stated in his address on the occasion of the commemoration of the 50th anniversary of the trading system: "... the question now is not so much whether there should be free trade, but how best to manage [the] ... trend". This was the great challenge facing the WTO. Bolivia's decision to accept the rules of the multilateral trading system and to open its doors to liberalization involved a number of risks and social, political and economic costs. Risks because, although tariff and paratariff barriers were disappearing, "invisible barriers" were emerging, as mentioned by the Director-General in his statement to the Trade Facilitation Symposium on 9 March 1998. Customs bureaucracy, documentation, the imposition of payment regulations that did not necessarily correspond to government trade policy caused the appearance of these new invisible barriers which had to be eliminated. Bolivia was running a risk due to the low level of competitiveness of Bolivia's export products, but this could be overcome by the WTO through training for entrepreneurs.

89. In signing these Agreements, Bolivia's costs had been high. Imposing regulations on a major part of the production sector, which was informal, meant a far-reaching social and political impact. Bolivia had to do so because of the hope it placed in the spirit and observance of the WTO Agreements in the expectation that they would attenuate the imbalances between industrialized and developing countries. In the economic area, Bolivia had a small developing economy and was at a disadvantage in comparison with more competitive developing countries. The result was a serious trade deficit, which would diminish as Bolivia managed to overcome its weaknesses and as equitable multilateral trade rules were imposed. He referred specifically to the need for: greater transparency in the rules of the game; action to prevent "invisible" barriers and/or costs; the adoption of trade rules that did not lead to discrimination or dependence. Effective application of the dispute settlement mechanism should make the system credible. Appropriate action should be included in trade liberalization policies, special attention being paid to sectors that had a greater effect on countries with small developing economies. Bolivia was becoming the energy, communications and financial services centre, and would soon become the transport centre, for the Southern Cone of the American continent, linking the Atlantic and the Pacific. Bolivia had played a full part in the regional and subregional integration processes in the Americas and had wholeheartedly supported these processes in the Andean Community, MERCOSUR and the Free Trade Area of the Americas. He reaffirmed Bolivia's willingness to discuss any issue provided that it also involved the interests of other countries.

90. The representative of Mali reaffirmed Mali's support for the multilateral system and its achievements. He was certain that a globalization process that was orderly and based on dialogue and

consultations with the equitable participation of all countries would be beneficial to all including the least-developed among them. Mali welcomed therefore the trend of the WTO which put emphasis on transparency and equity of the system. Mali regretted to note that in the implementation of the WTO Agreements, there was a lack of effort towards least-developed countries, and that very few of the countries that had participated in the round table discussions at the High-level Meeting in October 1997 had received the promised support. This was of concern to Mali because while progress was being made in the negotiations which Mali welcomed, the accompanying measures necessary to prepare the weak economies were not being implemented quickly enough. Such a situation was dangerous for the system. As had been stated by Côte d'Ivoire, necessary support was needed in training so as to enable greater participation of these countries in the various negotiations as well as for the implementation of regulations. More support, or perhaps a system which would enable countries to carry out the necessary controls, was needed with respect to the dispute settlement mechanism because the lack of expertise and resources put developing countries at a disadvantage. Finally, concerning future activities, Mali hoped that a greater examination of the participation of the least-developed countries and developing countries in the system would be undertaken because thus far the announced measures were not sufficient. Clear objectives needed to be set, i.e. to see how the current downward trend of trade, particularly of African countries in world trade, should be reversed and to examine what measures should be taken in order to reverse this trend. Under future activities, greater consideration had to be given to this subject and specific programmes had to be designed to enable such countries to benefit from the process of trade globalization which should be translated into a situation of mutual good and not one of advantages to a privileged few. Members had to make sure that the multilateral system took account of the two track system and of small countries. In the negotiations, Members had to ensure that the weakest could take advantage of the support offered in this system.

91. The representative of the Maldives said that fifty years of existence of the multilateral trading system were worthy of celebration. The system had contributed incessantly to the development of the world economy by providing a trajectory on which global trade had continued to expand. The Maldives affirmed its commitment to the multilateral trading system which provided a rule-based mechanism within which the possibility existed for each and every country, big and small, rich and poor alike to claim their fair share of benefits. This second session of the Ministerial Conference offered Members the first opportunity since the Singapore Ministerial Conference, a year and a half ago, to discuss issues of contention, to strengthen policies and to capitalize on past achievements. In so doing, however, Members had to continue to not only acknowledge the existence of the need for special and differential treatment for those genuinely needing it, but also take pro-active measures to address these concerns. The High-Level Meeting held in October 1997, and the follow-up activities that were being pursued by the Secretariat, had provided new hopes for these countries. He thanked the Secretariat and other five agencies actively involved in the integrated programme. He recorded his appreciation of and gratitude to the European Community, Norway and other countries which had begun implementation of the commitments made in the High-Level Meeting. He called upon others to follow suit, for much remained to be done. There was widespread acknowledgement of the slow progress in implementing the Uruguay Round agreements such as Agreement on Textiles and Clothing. He shared the views of the International Textiles and Clothing Bureau (ITCB) in this regard.

92. Moreover, at a time when benefits of trade preferences were being eroded and traditional non-tariff barriers dismantled, some countries were imposing new ones. Other unilateral action had also caused disruption to market access and discouraged exports of least-developed countries. He believed that harmonization and regulation of preferential rules of origin pertaining to voluntary and unilateral trade preferences would eliminate many of the problems least-developed country exports faced. Furthermore, to redress the marginalization of least-developed countries, he believed that the developed countries and the financial institutions in these countries could play a more proactive role by encouraging their businesses to invest in those least-developed countries whose environment was conducive to foreign direct investment. Members needed to ask themselves whether issues such as social and labour standards should be linked to trade. Such a development would undermine the

effectiveness of the WTO as a true master of world trade. To conclude, he urged developed country Members to fully honour the commitments made in the Uruguay Round and after. Members had to say what they meant and do what they said; only then could one speak of the WTO as a truly global organization, and one that was not all for one but one for all.

93. The representative of Nicaragua said that looking back on the ground that had been covered over the past fifty years, one could see that history had justified multilateralism and free trade. Nicaragua had had the honour of participating in this multilateral system since the second round of negotiations held in Annecy, France, in April 1948, first as a contracting party of the General Agreement on Tariffs and Trade and then as a founding Member of the WTO. Nicaragua had always demonstrated its complete confidence in the system and had committed itself to respecting the agreements reached and to free trade - a liberal vocation which had distinguished Nicaragua - which it was now ratifying with the total fulfilment of its obligations to the organization and through the signing of bilateral free trade treaties. It was important to point out that, in the 1960s, the system had recognized the need to allow developing countries to share the benefits of trade growth. "If it does not create well-being, this system was of no use to humanity" it was said at that time. So, developed countries were asked to give priority to the removal of trade barriers to products from developing countries. Nicaragua agreed with the Director-General that developing country Members were going through a difficult period at the WTO and that Members should give priority to equity because poverty and inequality could not be admitted. In Marrakesh, one of the most important and ambitious rounds of negotiations, the Uruguay Round, was concluded which brought about the creation of the WTO. Members were already talking about globalization with a parallel trend towards regional integration and widespread efforts at liberalization. Countries had made great strides over these fifty years. Today, there were fewer barriers to trade, fewer tariffs, fewer quotas and fewer non-tariff measures. Countries had a code of rules and regulations which defined the rules of the game for all aspects of trade and at every stage of the operations of buying and selling of goods and services, and trade-related aspects of intellectual property rights. Small countries like Nicaragua now had a dispute settlement system which made it possible to prevent the imposition of unilateral arbitrary measures. Undoubtedly, these were great strides and Members were now considering new themes like electronic commerce which would provide new opportunities and which would give countries like Nicaragua, hope and optimism in the difficult task of eradicating poverty.

94. Nicaragua, as a developing country, believed in the system, which was why it considered it important to point out that WTO had an obligation to see to the implementation of the Uruguay Round Agreements. Members were living in a world where frontiers were being erased, where information technology was creating a new dimension to distance. Companies were speaking of global competitiveness and were getting ready to take advantage of these new opportunities and challenges. These companies needed to rely on clear rules of the game and, above all, to be able to compete on an equal footing. Members had to continue to dismantle subsidy policies, especially on agricultural products and the textile industry. Members had to boldly advance in dismantling systems of quotas or quantitative restrictions. Nicaragua had great hope that in the forthcoming agricultural negotiations major progress would be made in that direction. The developed world spent more than US\$ 250 million in agricultural subsidies. This discriminatory measure constituted the most serious barrier to trade liberalization, undermining equity and global development. Nicaragua had opted for a model of sustainable development which included a prominent role for the private sector, together with a clear commitment to strengthen the social market economy and respect for the environment, which was in keeping with the basis of WTO. Man in harmony with nature was the very focus of Nicaragua's development strategy. However, Nicaragua noted that the temptation was strong for developed countries to replace one type of protectionism with another. The comparative advantages of the developing world should not and could not in any way justify the imposition by trading powers of conditions of any sort with the aim of blocking access to markets. Protectionism now had a new name: conditionality. Members had to be firm in resisting all the consequences of market restrictions disguised as social or environmental clauses. Nicaragua was confident that what had been built over

the last fifty years, which was being celebrated today, would serve as a basis for promoting trade growth. And this growth would enable developing countries to improve the standard of living of their populations, founded on social equity and transparency in global relations. The welfare of the human race was the focus and *raison d'être* of this multilateral trading system.

95. The representative of Gabon said that certain features of the multilateral trading system had reinforced inequality and poverty in the African continent. In many African countries, Gabon included, internal economic restructuring and regional integration had been achieved, with the purpose of facilitating the implementation of WTO Agreements. In this context, Gabon had organized three workshops on handicrafts, entrepreneurial activities and commerce, to redynamise investment and trade. Such efforts, however, had met with problems of various kinds, particularly since a large number of economic operators, administrative managers and political decision makers were not fully convinced of the advantages of the trading system under the WTO. Therefore, there was a need for training and information exchange, in order to explain the objectives and programme of the WTO and its contribution to the development of Gabon. Both multilateral and bilateral cooperation and assistance needed to be provided in order to ensure that Gabon participated in the process of globalization.

96. The representative of the Dominican Republic said that his Government had carried out the necessary institutional reforms to fully implement Uruguay Round Agreements. It had encouraged regional integration with countries of the Western hemisphere and had signed a free trade agreement with Central America in 1998. Also, its negotiations were well advanced with CARICOM, in order to liberalize trade with its members. In addressing the implementation of Uruguay Round Agreements, it was important to assess the problems faced by developing countries and their ability to benefit from their rights under these Agreements. Transitional safeguards in the area of textiles needed to be used cautiously. They should not be used against countries which benefited from preferential tariff reductions, without justification. Dispute settlement did not, in this area, address the problems that had arisen. To increase the participation of developing countries, the transfer of technology and commitments towards greater market access were necessary. Difficulties had been encountered with respect to achieving the objectives of the Marrakesh Agreements under, for instance, the Agreement on Subsidies and Countervailing Measures and the Agreement on the Trade-Related Aspects of Intellectual Property Rights. Members should evaluate the mechanisms available to promote investment on a global scale. He hoped that the next round of negotiations would start in 1999, and that it would be balanced and equitable and would contribute to the well-being of all.

97. The representative of Niger said that the evaluation of the implementation of the Singapore Ministerial Declaration and of the Plan of Action for Least-Developed Countries was an opportunity to measure the level of commitment of the international community to provide technical assistance to Niger, as well to assess Niger's involvement in the new trading system. He expressed his country's appreciation of the High-Level Meeting for least-developed countries and indicated his Government's intention to follow-up on how its results were implemented by developed countries, particularly with respect to granting technical assistance necessary for, amongst other things, promoting investment. Moreover, as a least-developed net food importer, Niger wished to address the problems related to the trade imbalance in food products. Its Government had committed itself to a programme of economic and legal reform to prepare itself for trade liberalization. Increasing the participation of the private sector had already started to take place. Before the end of 1998, discussions with the private sector would be organized to address the political problems which it faced, needed environmental improvements and the measures required for added investments. Additional efforts by the international community to support these efforts would be needed in the form of special and differential treatment.

98. The representative of Botswana reaffirmed his Government's commitment to the rules-based multilateral trading system which was founded on transparency, consensus, and predictability. He indicated that at the Singapore Ministerial Conference it was already apparent that the majority of developing countries, and particularly the least-developed among them, were behind in complying with

their WTO obligations, particularly with respect to notification requirements and the development of appropriate legislation. In this regard, the need for targeted technical assistance was recognized as an essential prerequisite for developing countries to meet their WTO obligations. Additional WTO seminars focusing on specific sectors needed to be organized, not only to sensitize the public sector, but also to target civil society so that it too could play a meaningful role in the implementation of WTO Agreements. Botswana fully supported the need to involve wider civil society in WTO issues. It was only through this process that the different constituencies could appreciate and begin to participate in reshaping the world trading system for the benefit of all. However, to achieve this, it was even more urgent for developing countries to be assisted in capacity-building. He noted with satisfaction the progress made in the implementation of the Singapore Ministerial Declaration on Least-Developed Countries. He urged all the organizations involved to maintain momentum in the implementation of this programme of assistance. While a lot had been achieved in implementing some of the Singapore decisions, further work was required by Members and the Secretariat to assist developing countries, especially the net-food importing among them. There was also a need to formulate a special assistance programme for net-food importing countries as provided for in the Marrakesh Agreement.

99. The representative of Sri Lanka said that his Government attached great importance to the full implementation of Uruguay Round Agreements, and to market access commitments for products of interest to developing countries, such as in agriculture, textiles, and other industrial goods. Such access held the key to the implementation of the Agreements. He attached importance to the Ministerial Decision on Net Food-Importing Countries, since countries like Sri Lanka imported food products, such as milk and rice. The implementation of the Decision required high priority. He attached great importance to regional trading arrangements, particularly as Sri Lanka was a member of the South Asian Preferential Trading Arrangement. Such arrangements were to be seen as a springboard for broader trade liberalization. All such arrangements would in the end merge into in a single global trading environment. Technical assistance should be provided to these arrangements to facilitate their integration into the global market. Sri Lanka also attached great importance to the provision of technical assistance, particularly in the area of dispute settlement. Although the new mechanism was transparent, it was knowledge intensive and extremely complex, and countries such as Sri Lanka required technical assistance to properly utilize it. Technical assistance was also needed to implement the Agreements, particularly on notification requirements. Notifications should not become a non-tariff barrier, and the International Trade Centre also needed to take part in extending technical assistance to developing countries.

100. The representative of Macau said that as the system celebrated its fiftieth anniversary Macau looked forward optimistically to it being strengthened, and to the positive role trade liberalization could play in the framework of WTO's rules. Referring to the Agreement on Textiles and Clothing, he said that the second stage of liberalization had recently had begun, integrating the textiles and clothing sectors progressively into the GATT/WTO rules. However, he expressed concern at the high level of protection that still existed in importing countries, and believed it essential that the spirit of liberalization in the Agreement be fully respected. The opening up of the textiles and clothing markets should be gradual but significant, so as to allow for progressive adjustment and prevent sudden exposure to competition. Macau called on importing countries to adopt positive measures, remove discriminatory treatment in this sector, and avoid creating new forms of protectionism through the use anti-dumping measures or of other administrative procedures. The success of the multilateral trading system over the years could be explained by the soundness of the principles of legal regulation, non-discrimination and decision making by consensus on which it was based. Nevertheless, in order for these principles to be applied equitably, the diversity in economic size and the negotiating capacity amongst Members had to be kept in mind. Macau believed that the full and effective implementation of the Uruguay Round Agreements should be regarded as an essential step towards the launching of a new round of negotiations. Macau believed that consolidating the results of the Uruguay Round was a major objective to be pursued at present, to ensure the increasingly important role of the multilateral trading system in promoting growth, employment and development on a global scale. Confronted with the challenge of

the globalization of the world economy, an open and transparent multilateral trading system had a fundamental role to play, and it was important to ensure that developing countries participated in the system on an effective, and equitable basis. Macau urged the WTO to provide developing countries with increased technical assistance to implement the Agreements in an appropriate way.

101. The representative of Trinidad and Tobago said that since the last Ministerial Conference in Singapore less than two years ago, developing country Members had witnessed an accelerating process of globalization and liberalization. The Agreements on Basic Telecommunications, Financial Services and Information Technology had been concluded, quickening the already rapid pace at which the developing world had been required to open up its markets to foreign competition. To a considerable extent, this accelerated pace of liberalization, occurring as it did in sectors of advanced, modern technology, had benefitted countries already equipped to take advantage of these developments. Much had been said about the potential for developing countries receiving spin-off benefits from these agreements. However, he supported others who had expressed concerns regarding the absence of tangible benefits from these sectoral Agreements, and challenged the Ministerial Conference to address some of the concomitants of rapid liberalization and the hesitations on the part of some trading partners to follow through with their responsibility in complying with WTO rules. To take an example, the process of liberalization required that public sector companies be privatized in an open and transparent fashion to give equal opportunities to all interested parties to compete. His Government had adopted extensive trade and economic reform measures specifically designed to promote export-led growth, and development based on trade facilitation, tariff reduction and greater market access. However, such private enterprises faced the prospects, after many years of operation in accordance with strict application of multilateral trading rules, of being subjected to unilateral restrictions, ostensibly deriving from their past history as public sector companies. Small developing countries such as Trinidad and Tobago were at the mercy of larger developed countries even when they complied with WTO obligations. The WTO had a responsibility to ensure that a level playing field was created and to deter the strong from unilateral actions. It was in this regard he hoped that this Session of the Ministerial Conference would provide the WTO bodies with the basis for addressing developing countries' concerns about implementation of the existing Agreements.

102. The representative of Haiti said that the greatest problem experienced by the least-developed countries was that of their low productive capacity and limited export opportunities for their goods, which resulted in their marginalization. The limited exports of least-developed countries could be explained by institutional and infrastructural problems and the lack of human resources. The High-Level Meeting on least-developed countries had raised hopes for liberalizing trade for their exports. Haiti was pleased with the outcome of the meeting, and with the commitments made. Haiti itself was committed to carrying out its share of the measures agreed upon. Haiti was the only least-developed country in the Americas, and was situated in close geographic proximity to the most highly industrialized country of the continent. This was an embarrassing and an intolerable situation. He called upon his neighbours to help Haiti benefit from their experience in institutional development and technological training, as well as in other areas.

103. The representative of Papua New Guinea said that when his Government had joined the WTO, it had not been aware that there would be such a large number of agreements to understand and comply with. Small developing countries simply did not have the institutional capacity to deal with all these agreements, let alone to implement them. In several countries, the private sector was not fully aware of the agreements and their implications. He re-emphasized the urgent need for technical assistance from the WTO and other United Nations agencies to assist the developing countries in this regard. He appreciated the seminars conducted by the WTO and UNCTAD on WTO requirements and Agreements. More such seminars were needed. With respect to the implementation of WTO Agreements, his Government had initiated major structural adjustment programmes and reforms to address structural rigidities including trade and investment. These were being undertaken in collaboration with the World Bank and the IMF. He suggested that WTO Agreements be simplified so

Members could more easily implement them, particularly since implementation problems were experienced by numerous countries. The large volumes of documents received on a regular basis were becoming difficult for Members to cope with. His Government's experience in implementing WTO Agreements was limited, and it would take some time even for the benefits of trade liberalization to materialize. However, in the two years in which it had implemented the Agreements, serious problems had been confronted. The trade preferences accorded to Papua New Guinea and other countries of the African, Caribbean and Pacific Group of countries under the Lomé Convention were now under serious threat. In the near future, these trade preferences might no longer be enjoyed. According to the United Nations, of the 71 ACP States, 38 were amongst the poorest in the world. The economies of most of these countries were fragile, and were dependent on the European Community market for their exports. Serious consideration should therefore be given to maintaining the trade preferences currently provided under the Lomé Convention. While the basic principles of trade liberalization were to be supported, small developing countries could not compete on equal footing with developed industrial countries. To deny this reality would only worsen the current developmental problems of the developing world. Adequate time must be given to developing countries to diversify and restructure their economies. Assistance by developed countries to help stimulate growth in developing countries was also needed. Another area of great concern related to the application of sanitary and phytosanitary requirements. While he acknowledged the importance of strict adherence to health requirements, there was a misconception that all food products from developing countries required close scrutiny. This had developed into another form of invisible trade barrier for the exports of developing countries. He urged the WTO to be vigilant in ensuring that such discrimination was not allowed to take root, and that it strive to meet the difficult realities that confronted developing countries, particularly small and vulnerable economies.

104. The representative of Nigeria said that Nigeria was committed to the rules and disciplines of the multilateral trading system, and underscored its determination to implement its contractual obligations. The problems of uneven distribution of the benefits of the trading system, the marginalization of developing countries and their slow pace of integration, the limited effects of technical assistance and the insufficiency of the special and differential treatment provisions for addressing these problems were sources of instability for the trading system. They needed to be addressed and properly managed. There was also a need to strengthen the development dimension in WTO Agreements, in the work of the Secretariat, and in the multilateral trading system as a whole. The integration of the development dimension in WTO work was based on the logic and the recognition that, although trade was the major engine of growth, the relationship between trade and prosperity was not automatic and required appropriate developmental policies. Furthermore, pursuant to Article III:5 of the WTO Agreement, greater coherence had to be achieved in global economic policies. Beyond maintaining observer status at each others' meetings, the International Monetary Fund, the World Bank and the WTO should address the trade-related economic problems confronting many WTO Members. There was also an urgent need to assist African countries in developing capacity for effective participation in the dispute settlement mechanism, and to rectify the anomaly of the virtual absence of African panelists in dispute settlement.

105. Nigeria endorsed the proposals contained in the Report of the Director-General on the outcome and follow-up to the High-Level Meeting for least-developed countries, and hoped that the results of the Meeting would be extended to other developing African countries. He indicated that the lack of technical expertise and capacity, of market access opportunities, and the imposition of tariff and non-tariff barriers and sanitary and phytosanitary measures, among others issues, were of concern to his country. Nigeria's position was that these implementation issues should be given greater attention, and that there should be no rush to address new issues, without prejudice to the continuing discussion of the built-in-agenda. Trade barriers affecting developing countries should also be abolished. Nigeria continued to attach importance to increasing foreign direct investment in the Nigerian economy, and to accessing modern technology, and expertise. This was why it had accorded great importance to the exchange of information and to the educational process taking place in the Working Group on Trade and Investment. He reiterated that the full implementation of all WTO Agreements was vital and

indispensable to the credibility of the trading system. It provided the necessary incentive for maintaining the momentum for further negotiations in new areas, and for the expansion of liberalization efforts in other areas. If existing Agreements were only partly implemented, the projected benefits would remain only potential ones and would not materialize. Many developing countries, including Nigeria, had felt betrayed that certain countries that had pushed hardest for trade liberalization continued to protect certain economic sectors such as agriculture. This denied developing countries increased revenues in the agricultural sector, as well as the possibility to diversify their exports. To maintain the system's credibility and the momentum for liberalization, current agreements needed to be fully implemented but at an attainable pace for developing countries. The WTO had begun to assist developing countries but more needed to be done.

106. The representative of Poland said that at the first Ministerial Conference, Poland had had a positive assessment of the implementation of WTO Agreements. Since then, implementation had been proceeding satisfactorily, and achievements had been made in areas such as financial services. The WTO system was complex, and it required significant legal and administrative capacity. This was burdensome for some Members, and delays were experienced. He expressed his belief that transparency, while commendable as an objective, should be achieved in the simplest possible way. Poland applied WTO rules and liberalized trade in goods and services in accordance with WTO obligations. It attached great importance to the dispute settlement system, which was one of the pillars of the multilateral trading system. No proceedings had been initiated against Poland under the dispute settlement system. Its accession to the European Union would enhance its commitment to the WTO. Much of Poland's trade fell under regional trade agreements. These were compatible with WTO rules and should be considered as being in harmony with global trade liberalization. Poland did not intend to limit anyone's right to analyze the consistency of these agreements with WTO rules. However, it did not believe that such examinations should be based solely on the criteria established under Article XXIV of GATT 1994 and the practice relating to its application.

107. The representative of Guyana said that his Government was committed to: (i) promoting an open, non-discriminatory, fair and equitable multilateral trading system that would enable countries - particularly developing countries - to improve their economic systems and enhance the living standards of their peoples through sustained economic development; (ii) improving market access for trade in goods and services; (iii) promoting and supporting policies, both domestic and international, which would make economic growth and environmental protection mutually supportive; and (iv) fostering global economic policy-making that safeguarded the vital interests of the small and vulnerable economies of the developing world. Much had been achieved since Singapore, including the Agreements on Basic Telecommunications and Financial Services and the implementation of the Agreement on Information Technology. The dispute settlement system was functioning well but could be improved. The membership of the WTO had expanded and new members were being accepted. These successes of the WTO had been reflected in its significant contribution to economic growth, employment and stability. However, there was a need to more closely examine the impact of the WTO at the national level, particularly for small economies. Guyana had undertaken a comprehensive structural adjustment programme in collaboration with the World Bank and the International Monetary Fund. It recognized the importance of restructuring its economy in order to take advantage of the opportunities afforded by the liberalization of the multilateral trading system. However, Guyana's debt burden was very severe. Debt servicing as a percentage of current revenues increased from 42.6 per cent in 1996, to 54.1 per cent in 1997 and was expected to further increase in 1998. Its current account balance had deteriorated by Gy\$10.2 billion between 1995 and 1997. It continued to experience a net outflow of financial resources. Subsequently, it welcomed the initiative of multilateral financial institutions regarding HIPC countries, and urged that every effort be made to ensure that the debt problem was solved. In light of trade expansion and improved standards of living in the developed world, it was necessary that developing countries be helped in experiencing similar improvements; otherwise poor people in these countries were likely to resort to the production and export of drugs to developed countries. This was a situation which had to be prevented at all cost. In

constructing a single global village, he believed that there was a need to build a political framework underpinned by the rule of law, democracy and good governance, and which was based on consensus.

108. The representative of Fiji said that for developing countries, constrained by resources, the emphasis should surely be to concentrate on the implementational aspects of the WTO Agreement. Developing countries lagged behind the developed countries in compliance with the provisions of the Agreement. They still needed to establish their domestic administration to monitor and coordinate the numerous notification requirements. In addition, they needed to draft and implement much-needed legislations and policies, and to establish work and procedural systems that were essential for compliance.

109. The representative of Uganda said that the objective of facilitating and promoting the economic development of developing countries was reiterated in the Uruguay Agreements. As he Preamble of the Marrakesh Agreement clearly stated: "There is need for positive efforts designed to ensure that developing countries, and especially the least developed among them, secure a share in the growth in international trade commensurate with the needs of their economic development." Globalization and liberalization, while increasing efficiency, had resulted in the marginalization of developing countries, especially the least-developed among them. Many countries lacked various elements, - physical, financial, human and institutional infrastructure – necessary to enter and compete effectively in international markets. Domestic supply side constraints seriously limited developing countries' export response and the ability to exploit their market access potential.

110. The key issue for Uganda, as indeed for all developing countries, was that the Agreements emanating from the multilateral agenda for negotiations be supportive of developing countries' strategy for national economic development, and in particular the role played by trade. Investment and removal of economic barriers were crucial to strengthening the capacity of developing countries to manage their development process. Uganda was committed to economic and trade liberalization. For a least-developed country, its economic and trade regime stood out as being among the most liberal in the world. If such economies were to be able to attract investment, expand production, improve product quality, meet standards and benefit from the opportunities presented by the multilateral trading system, this liberalization had to be complemented by a supportive international environment. This meant addressing the problems of debt, market access and supply constraints.

111. As a developing country, Uganda placed great importance on the implementation of the Uruguay Round Agreements. For Uganda and others, the success of the WTO would be measured on the basis of whether implementation had succeeded in contributing significantly to the development of their economies. The WTO should take stock of the implementation process to evaluate whether the prospects of economic growth and sustainable development of developing countries had been achieved as anticipated in the Uruguay Round Agreements. For most developing countries, implementation of the WTO Agreements had been burdensome and, therefore, required significant technical assistance. For example, a number of ACP countries had faced difficulties in fulfilling their notification obligations, as well as in seeking to exploit opportunities which the Uruguay Round Agreements offered, due to limited human and institutional capacity. These countries also faced difficulties in meeting the time frames of the transition periods. There was an urgent need for these countries to be provided with resources, both financial and technical, to prepare domestic legislation in conformity with the Uruguay Round Agreements. The reason for the transition arrangements had been not only to give developing countries a longer time to prepare legislation. There had also been an implied assumption, especially for the least-developed countries, that they would be provided with the economic assistance to develop and reach a stage where they had the capacity to comply with, and reap the benefits from, the Uruguay Round Agreements. The ACP Group had supported the initiative for the least-developed countries, but had noted the need for appropriate measures and mechanisms for the effective implementation of the decision. Various disadvantages characterized the vulnerable, low-income, landlocked and small island economies, and special consideration should be given to

them in the WTO. Uganda urged the WTO and other agencies to improve the technical assistance provided to ACP countries in order to meet their specific needs. The technical assistance should target both the need to understand the various Uruguay Round Agreements, and the need to develop their capacity to meet their WTO obligations and to overcome supply-side constraints. Regarding the process of accession, developing countries, especially small and island economies, should not be required to undertake obligations beyond those relating to the strict application of WTO Agreements. To facilitate the integration of developing countries in the globalized and liberalized international economy, the role of the private sector in enhancing development was vital. The multilateral trading system should adopt measures supporting the private sector in developing countries. Uganda urged the WTO and the Bretton Woods institutions to improve their coordination in global policy-making.
