## WORLD TRADE

## **ORGANIZATION**

**WT/MIN(01)/ST/19** 10 November 2001

(01-5610)

MINISTERIAL CONFERENCE Fourth Session Doha, 9 - 13 November 2001 Original: English

## **AUSTRALIA**

## Statement by the Honourable John Fahey, MP Minister for Finance and Administration

The gathering of some 142 Member nations, here in Qatar, at this point in history, proclaims a common cause – not only to restore confidence, to steady markets and to kickstart growth, but to renew and ensure the health of the multilateral trading system which delivers so much to all of the world's people.

There are some who believe the benefits of global trade are not distributed evenly, or equitably. There are some who maintain WTO Agreements are unfair, even unjust. And for some, the WTO system caters for the large and powerful, at the expense of the small and weak.

Australia recognizes these concerns. Indeed, we have some of our own. But we place great store in the capacity of the WTO system to address these criticisms. And we believe the only way forward is through a new round of global trade negotiations. The need for a new round now – here at Doha – is even more pressing given the marked global economic slowdown we are now experiencing.

Australia comes to Doha fully expecting the launch of a new round of trade negotiations - the first to take place under the auspices of the WTO. And I am confident that we have the necessary foresight and vision, not to mention flexibility, to ensure success.

I congratulate [General Council Chair] Stuart Harbinson for the tireless effort he has made in developing the draft Declaration now before us. It is a credible basis for reaching agreement here in Doha.

As you know, agriculture is critically important to Australia, to the Cairns Group of Fair Agricultural Traders and many developing country members. For too long agriculture, including processed foods, has been excluded from genuine reform. The WTO should not be a "rich man's club" reforming in only those areas where wealthy Members are competitive. Reform must benefit us all.

The Declaration must recognize the objective of integrating agriculture fully into the WTO framework.

The Declaration must seek to end all forms of export subsidies, substantially reduce tradedistorting domestic support and make substantial improvements in market access.

And the Declaration must reaffirm the priority of reform under the three pillars – export subsidies, domestic support and market access – over non-trade concerns. We cannot allow a small number of wealthy Members to use non-trade concerns to block reform, particularly when we know that non-trade concerns can be addressed in ways that <u>complement</u> our reform objectives. Indeed, this

approach will be the solution to our differences on agriculture. The negotiations cannot be allowed to be held hostage to non-trade concerns.

Environment is also a key issue for Australia. The vast majority of WTO Members share a significant concern to ensure that there is no change to the existing balance of rules related to environmental issues in the WTO. It is important that the proponents of change do not ignore or understate these genuine concerns.

Australia places the highest priority on the retention of disciplines which prevent Members from misusing trade measures in the name of environmental protection, or imposing environmental standards unilaterally.

Australia recognizes the need to address the concerns of developing countries in preparing for a new round: in particular, the extent to which developed countries have implemented existing WTO agreements, and access to medicines for developing countries.

Australia believes that there has been important progress in recent months. The language before us on implementation is a serious attempt, made in good faith, to address the concerns of developing countries. I commend it to you as a basis for agreement.

Australia considers the issue of access to medicines is very important and warrants the separate declaration. We encourage all members to build on common ground to find practical solutions, within the framework of the TRIPS Agreement, to this priority concern.

Here, in Doha, China will join the WTO community. Australia has strongly supported WTO membership for China, and for Chinese Taipei. Chinese membership will be a major step in the WTO becoming a truly global organization.

Negotiations on our Ministerial Declaration are at a critical stage. Australia believes all WTO members will benefit from the launch of a new round here at Doha.

The benefits of removing barriers to trade are enormous. The gains from only having current trade barriers are estimated at around \$US400 billion annually. That's like adding the Korean - or Australian - economy to global welfare each year.

We need to remember the purpose of the multilateral trading system. To open markets - across the board. To prevent new and reduce existing restraints on trade - in new and traditional areas alike. To maintain a stable framework of rules - to protect the weak from the strong - so we can all trade, fairly and at will.

Doha should mark the beginning of negotiations that will reinforce these goals, and thereby strengthen the WTO and the trading system we have built since the conclusion of the Second World War.

Success will contribute much at this moment in history, most of all to the very people who need the benefits of trade most: the world's poor. Failure, in turn, will fail them.