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ITALY

<u>Statement by the Honourable Antonio Marzano</u> <u>Minister for Productive Activities</u>

Let me express our gratitude to the Government of Qatar for the brilliant organization of this WTO Conference.

Let me also thank the Secretariat of the WTO, its Director-General and the Chairman of the General Council for the excellent work they have done to lay the foundations of a successful outcome.

This 4^h Ministerial Conference is taking place at a momentous time of mankind's history. The holding of such a meeting, in spite of the tragic events of two months ago, bears witness of our willingness to react against disruptive violence and to revive the climate of dialogue that has allowed the tremendous development of our economies for the last 50 years.

During this period of time, international trade has been pivotal in promoting growth. Now we must make sure that it will continue to play that essential role even in the future, thanks to a stronger, more efficient rules-based multilateral system.

Italy has always been committed to the strengthening of this system. It is a hallmark of our foreign and economic policy precisely because our very economic interests call for its full support.

As President Berlusconi reaffirmed in a letter of 8 November to other G7 leaders, the effective enhancement of the multilateral trade system will only be patent when a greater number of countries will be able to reap the benefits of liberalization. Today those advantages are still limited to few geographical areas.

To reach this goal, the new negotiations round, that I do hope we will be able to launch here, shall be characterized by the "development" dimension.

In the last few weeks, the WTO people in Geneva have done an awful amount of work to craft important documents. Those important documents are not definitive yet. Some questions are still open to debate but they could well find easy solutions if Member countries have the political willingness to go beyond their parochial, specific interests.

In this regard, a top priority remains the decision on implementation-related issues. We should send a clear signal to developing countries.

On this point, I would like to make a reference to the textile sector, just to stress that the European Union is fulfilling its commitments under the Marrakesh Agreement. Our efforts to keep up with our obligations have been significant. We expect that our partners will not only follow us on the same path but that they will also throw more open their own markets.

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The latest version of the Draft Ministerial Declaration leaves us partially unsatisfied. I wish that discussions currently underway may lead to solutions which are better geared to favour a balanced development of international trade and which are better moulded to some specific features of our economies. I refer, in particular, to some high quality products of primary importance in Italy. In many cases, their quality is strictly linked to their geographical origin with its background of traditions and skills. We would like these products (not only wines and spirits) to be adequately protected and to gain an access without obstacles to international markets.

Another relevant issue that ranks among our priorities is constituted by agricultural non-trade concerns. The social and environmental function performed by this sector is well known. We believe that supporting this function is essential and legitimate. I am also convinced of the need to achieve all the other objectives set out in Article XX of the Agriculture Agreement, taking into account that, for some sectors, the current margin of protection has been substantially reduced by concessions granted in previous negotiations.

I think that the draft declaration is disappointing on environment. Fostering a solution of some aspects of the relationship between trade and environment should be in order. Those matters, when not adequately and consensually regulated at multilateral level, are bound to strain international relations. They are also the cause of the growing perplexities and doubts of our public opinions towards the WTO.

There are a number of other issues.

Let me start with the relationship between trade and investment. In this area, Italy would welcome an active role of the WTO since investment protection and liberalization are essential, especially to small- and medium-sized enterprises. They are that fundamental prerequisite that generate an increasing amount of resources for the promotion of economic growth in developing countries and in some areas of the industrialized countries alike.

Core labour standards are the other important issue in which, I think, the WTO should be much more engaged, alongside the ILO (International Labour Organization) and the international financial institutions. There surely is a contribution that the WTO can offer to the ongoing debate. This is a theme that should be tackled in a constructive way. We could for instance devise positive measures for training and technical assistance as well as trade facilitation actions for those countries that pledge themselves to improve the protection of core labour standards of low earners.

Another important document on which a declaration has to be adopted here regards the granting of access to drugs to some developing countries hit by outbreaks of serious diseases.

Aware of the need to help these populations, we are ready to consider a degree of flexibility in the application of the TRIPS Agreement. But we will also call for any form of cooperation with the pharmaceutical industry that can bring about a satisfactory solution to dramatic situations.

We have come to Doha firmly committed to score the success that will allow us to catch up, with fresh energy, the path toward economic growth and well-being.

We know that this goal will only be possible on condition that all countries draw concrete benefits from the outcome of the new negotiating round. Italy engages itself to make this happen and to make the new negotiations become the true round of development.