WORLD TRADE

ORGANIZATION

WT/MIN(01)/ST/33 10 November 2001

(01-5613)

Original: English

MINISTERIAL CONFERENCE Fourth Session Doha, 9 - 13 November 2001

NEW ZEALAND

<u>Statement by the Honourable Jim Sutton</u> <u>Minister for Trade Negotiations</u>

Let me first thank our hosts for their generosity in having us all here. This is a major undertaking for any country and they are to be congratulated for the excellent arrangements.

The fact that this meeting is taking place here is a sign of the increasing universality of the WTO, which is a principle New Zealand has long fought for.

We meet at a time of considerable uncertainty, with worrying economic prospects for many of us. This makes it all the more vital for us to take action - to launch negotiations that are already overdue. That must be the outcome of this meeting.

The rapid growth in the WTO's membership is a strong sign that most countries do see international trade as a route to their prosperity. That requires access to markets, made secure by an equitable system of trade rules.

For over 50 years the GATT, and now the WTO, has contributed to world economic growth, and rising living standards through successive rounds of trade liberalization and rule-making.

The benefits have been unevenly shared however. We need to make sure all countries can participate in the benefits of a more open trading system.

At this conference the accession of China and Chinese Taipei will mean over a billion more people are now represented in the WTO. Since the end of the Uruguay Round, we have seen unprecedented growth in the WTO's membership, especially from developing countries.

It is thus fitting that this conference should have a focus on development. For an organization that aspires to raise living standards around the world, it is time that the WTO brought a harder edge to work that will contribute to the elimination of poverty.

As we've prepared for this meeting, we've heard a loud call from developing countries that access to markets is the best thing we can all do to contribute to that goal. We need to make this a development round in more than name only. Let's allow countries to do what they are good at and gain the rewards from having access to markets for their goods and services.

That's core WTO business.

A strong mandate to get on with it should be at the forefront of what we achieve here at this meeting.

That mandate needs to cut deepest where we have been slowest to make progress. It is shameful that the last areas to begin to open have been those that could make the greatest contribution to eliminating poverty – agriculture, and textiles and clothing.

The unjustifiable discrimination against agriculture must be tackled. We cannot continue to accept a situation where average tariffs on industrial products have come down to around 4 per cent, and those for agricultural products remain at over 40 per cent.

There are those who emphasize that agriculture serves a variety of public policy objectives. We agree. But we don't agree that you deliver on that by high protection and trade-distorting measures.

The truth is that industrialized countries have the luxury of policy choices. Developing countries often don't. It is time for new thinking, especially in OECD economies, about better ways to deliver on public policy objectives without developing countries bearing the cost.

My government has taken a range of measures to address this. On 1 July this year, the remaining barriers to imports into New Zealand from least-developed countries were eliminated, without exception. We have no quotas for any product and remaining tariffs on goods from developing countries are low.

Multilateral trade agreements are not ends in themselves. The goal they serve is to improve living standards in the countries whose governments have negotiated them.

The risk for this Organization is that our focus and concentrated purpose is often misunderstood as a narrowness of vision. To those of us dealing with the issues day to day, such criticisms often seem trite and can be frustrating to deal with. But they cannot be ignored.

My government feels we all need to do a better job in explaining that what we do here in the WTO is absolutely consistent with what our colleagues are doing in other organizations, such as those dealing with issues like sustainable development, and the promotion of decent working conditions.

My government wants labour standards better integrated with trade agreements, but not, I repeat not, by impeding in any way access to markets for developing countries.

There is also scope for getting better coherence between work we do internationally on trade issues and environment objectives. We want economic development and a healthy environment.

We also want a better working relationship between international organizations. But at the same time, we are mindful that each organization will best serve the whole by focusing on its own core purpose.

I want to finish by paying tribute to the work of Stuart Harbinson and the Director-General. They have worked tirelessly to prepare us for this meeting. The draft declaration is an excellent basis for our work over the next few days. We owe it to the world to make this conference a success.