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LATVIA

<u>Statement Circulated by Mr Maris Riekstins</u> Secretary of State, Ministry of Foreign Affairs

Allow me on behalf of the Government of the Republic of Latvia to express my pleasure for having this opportunity to address the Fourth Ministerial Conference of the WTO held in Doha, Qatar.

First of all, I would like to welcome the excellent work of the WTO Secretariat and the Qatari authorities to arrange the Fourth Ministerial Conference. We welcome the tremendous efforts of the Chairman of the General Council, the Directors-General and the Members of the WTO in striving to prepare a draft of the Ministerial Declaration, which would serve the interest of every Member of this organizations. We are of the view that the draft of the Ministerial Declaration presents a middle ground between the various positions expressed by the Members during the preparatory period.

Latvia attaches great importance to the launching, at the 4th Ministerial Conference, of a new comprehensive round of multilateral trade negotiations and is committed to continue to work hard towards this objective. Changes in the global, political and economic climate have proved the necessity of the launch of a new trade round. We believe that the results of the negotiations should give a considerable boost of economic liberalization, contribute to the global economic confidence and strengthen the multilateral trading system. Also a new trade round will show that the WTO is capable of staying relevant to the growing global economy.

Latvia is in view that the WTO new round should be based on a balanced and comprehensive agenda, reflecting the interests of all the Members of the multilateral trading system. It is to be directed at strengthening access to markets and further trade liberalization, at cooperation in trade issues. It is essential to keep the markets open and not to allow protectionist movement to develop at the situation when a significant part of the world is facing economic slowdown.

Latvia had achieved considerable progress in economic development for the past decade due to an open and liberal foreign economic policy. Our progress proves the success of liberal trade regime and shows Latvia's capacity to cope with the competitive pressure.

Nonetheless, Latvia also has certain concerns and preoccupations regarding the negotiating agenda. Latvia emphasizes that agriculture in one of the key issues of the new negotiations. Non-trade concerns are of vital importance to us in the further reform process of trade in agriculture products. We believe that the one-size-fits-all approach will not be appropriate to address non-trade concerns, because it will not sufficiently take into account the diversity of country situations. We support liberalization of trade in agriculture products, and call upon recognizing special difficulties faced by agriculture sectors of transition economies. Transition economies have introduced liberal trade regimes and the majority of non-tariff measures have been eliminated already. We therefore propose that a specific flexibility should be allowed in the negotiations on agriculture for the purpose of future tariff reductions and other market across commitments of transition economies. We believe that such a provision would, *inter alia*, exempt low tariff from further reduction commitments.

We acknowledge the importance of multilateral negotiations on agriculture and services launched last year. We want to see the momentum of the negotiations in agriculture and services sustained. Nonetheless, we are convinced that the negotiating agenda comprising only core market, access negotiations is no longer sufficient. The process must be further developed to make the WTO capable of reacting to the challenge posed by the global economy. Therefore, Latvia actively supports inclusion of the subject in investment into the new round of negotiations. We all need to look beyond our narrowly defined concerns and should look ahead to start new comprehensive trade negotiations.

Latvia attaches particular importance to the role of the developing countries in the trading system. We are of the strong view that the results of new negotiations should facilitate the integration of the developing countries into the multilateral trading system. Trade has always been an important instrument of economic and political development. Hence, involvement of the developing countries into the global trading system will contribute to the world welfare and security. We welcome strong emphasis of the Ministerial Declaration on the aspects of development, and in particular, the important role of enhanced market access, balanced rules, and well targeted, sustainable financed technical assistance and capacity-building programmes clearly set out in the Declaration. Moreover, in each and every field of new negotiations we are committed to pursue the goals of sustainable development. In our view, the agenda before as signals to the outside world that the WTO Members are now launching the new negotiation with development aspects in the heart.

In conclusion, as a strong supporter of a successful Ministerial Conference, I would like to express my conviction that we must launch a comprehensive broad based round of negotiations in order to assure the future and relevance of the multilateral trading system.