WORLD TRADE

ORGANIZATION

WT/MIN(98)/ST/104

20 May 1998

(98-2129)

Original: Spanish

MINISTERIAL CONFERENCE Second Session Geneva, 18 and 20 May 1998

HONDURAS

<u>Statement Circulated by H.E. Carlos H. Matute-Irías</u>
Ambassador, Permanent Representative

First of all, on behalf of my Government I wish to thank the Swiss Government for the hospitality they have extended to the representatives of Member countries of the WTO participating in this Conference. I also wish to congratulate the Director-General Mr. Renato Ruggiero and the Secretariat staff for the excellent organization of this Ministerial Meeting.

It is important to note that this Second Ministerial Meeting coincides with the 50th Anniversary of the multilateral trading system, a legal framework which has allowed us to strengthen the system within a framework of ever more competitive and open universal standards and practices.

Honduras is pleased to be participating in this Second Ministerial Conference, whose main objectives is to review the application of the WTO Agreements and to set the guidelines for organizing work for the future planned negotiations, which we would like to see started as soon as possible.

My Government attaches special importance to the strengthening and full development of regional trade groupings, not as substitutes, but rather as complements to a more competitive and open multilateral trading system. I therefore wish to point out that Honduras has been participating in the process of Central American integration since 1960 and welcomes with confidence and enthusiasm the efforts undertaken at regional level since 1990 towards the creation of a Free Trade Area of the Americas (FTAA). We remain committed to the efforts which recently culminated in Santiago and Chile to initiate promptly the multilateral negotiations which would establish a free trade area stretching from Alaska to Cape Horn.

In advancing these plans and while improving all trade relations with the third countries, we are opting for a model which, far from promoting protectionism, is opening up the economy and respecting the WTO standards and disciplines, thereby strengthening the multilateral trading system.

With respect to the application of the agreements negotiated within the WTO, I wish to say that we are basically satisfied with their observants although the objectives for which they were drawn up are far from being obtained. In that regard, I wish to highlight especially the existence of a clearer and stronger legal framework, namely the Dispute Settlement Body. More than 100 disputes have been aired in this forum but even then concrete achievements are a long way off from final objectives. Honduras therefore believes that the fulfilment and application of the recommendations of panels is a commitment which we should all fulfil.

However, I wish to reiterate the concerns we expressed in Singapore about the way in which certain importing developed countries have been applying the Agreement on Textiles and Clothing. The first two stages of integrating textile products have not lead us to true liberalization and we are even more concerned at the increasing number of tariffs and non-tariff barriers which have been erected against developing countries.

The Government of Honduras attaches great importance to the work programme as well as the built-in agenda and will do its best to ensure that these fulfil the commitments made at Marrakesh.

We therefore would like to see a continuation of the work started in the Committee on Agriculture in relation to the process of information exchange approved in Singapore in preparation for the next negotiations scheduled for 1999. This applies especially to the discussions initiated in favour of developing countries with a view to achieving greater market access, removal of subsidies on the part of developed countries and the full application of the Decision on net-food importing countries.

We support the review process on the implementation of the WTO Agreements, and also the fact that this is being done with an awareness of the needs and problems of developing countries with small economies.

In view of the increasing importance of world trade in services, we are concerned about the limited participation of developing countries with small economies. Consequently, the Government of Honduras wishes to highlight how important it is for these economies to have greater participation in this sector, as provided for in Part IV of the Agreement.

We also think that it is very important for the special and preferential treatment provided for in certain WTO Agreements to be fully applied. This is a matter that should be taken up at the next Ministerial Conference.

Lastly, we reject the initiatives of some countries to apply unilateral trade measures which are inconsistent with the WTO multilateral trading system and which jeopardize the process of world trade liberalization.