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MONGOLIA

<u>Statement Circulated by H.E. Mr. R. Amajargal,</u> <u>Minister for External Relations</u>

It is a great privilege for me and my delegation to participate in this Second Ministerial Conference as a full Member of the World Trade Organization. This forum is even more significant for us by being held in a parallel with a high profile Commemoration of the 50th Anniversary of the Multilateral Trading System, the historic event, which highlights the success of the system over the past half of the century and reaffirms the trade liberalization mandate of the WTO.

On behalf of the Government of Mongolia I would like to express my sincere appreciation to the Swiss authorities as well as to Director-General Mr. Renato Ruggiero and his dedicated staff for their enormous efforts and great amount of preparatory work they have carried out to ensure the excellent conditions for the work of the Conference.

I offer my congratulations to H.E. Mr. Pascal Couchepin on his election to the Chair of the Session and wish him every success.

A year and a half divide us from the first Conference in Singapore and it is worth mentioning here that a significant progress towards freer global market has been achieved during this relatively short period of time. Agreements on Information Technology, Basic Telecommunication and Financial Services are of fundamental importance to the international trade community and mark a new era in world economy.

Mongolia is one of the youngest Members which joined the WTO after the Singapore Ministerial. Despite the difficulties it faces in transition from central planning system to market-based, outward looking economy Mongolia had taken a courageous and challenging decision to exercise from 1 May 1997 zero import duty regime for almost all products. This decision is a political message showing our full commitment to and confidence in the multilateral trading system which we reaffirm at this Conference.

However, as a developing country Mongolia shares concerns about the risk of marginalization for less-developed economies. Strengthening the participation and integration of developing countries into the world trading system and assisting them in taking full advantage of its benefits must be a priority objective of the WTO. A proper balance between the strict compliance with disciplines, commitments and the favourable treatment in the context of the special development needs of these countries should be observed.

The work in the WTO is very difficult for developing countries. The implementation of complex and time-bound agreements with multiplicity of obligations puts enormous burden on small developing and nascent Member countries as mine. The landlocked location and geographical isolation of Mongolia cause additional economic burden and bottlenecks. Like many other developing countries with low economic performance Mongolia needs a comprehensive bilateral and multilateral technical assistance and support in the implementation of the Uruguay Round Agreements and its fuller integration into the global trading system. We believe that the Conference shall address this issue of common interest to a large number of its Members.

Most of us would agree that the future work programme of the Organization must be in pace with the challenges of the new Millennium. There are areas of world economy in which the WTO has a major role to play. While recognizing it Mongolia would like to stress that future undertakings should not overload or upset the priority in the implementation process and the ambitious built-in agenda already with us.

Mongolia believes that the credibility of the WTO will be strengthened by its universality. In this regard my Government supports the expeditious accession of the current candidates on fair conditions. This is of particular relevance to Russia and China, the major players in world trade, without which the WTO can hardly be seen as a truly world organization.

Mongolia supports the establishment of a formal Secretariat, a strong and independent Secretariat with adequate means and able to meet the expectations of all delegations, particularly those with pressing needs for technical assistance.

In conclusion I express the firm confidence that this Conference will successfully conclude its deliberation and send a strong and clear message to the world community re-enforcing the value of the rule-based multilateral system.