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BELGIUM

<u>Statement by H.E. Mr. Pierre Chevalier,</u> <u>Secretary of State for Foreign Trade</u>

International trade is of exceptional importance for a country like Belgium. Indeed, my country is among the foremost trading nations in the world. The export of goods and services accounts for 70 per cent of its GDP.

International investment is also very important for us. Total direct foreign investment in Belgium amounts to almost half of our GDP and provides employment to half a million of my countrymen.

It is, therefore, no surprise that Belgium has continuously conducted a policy of open market economy and free trade and that, 52 years ago, it was one of the countries that launched initiatives conducive to liberalization of international trade and the development of a multilateral trading system, from which all members of the international community benefit. International trade is an important driving force for economic development and prosperity.

It is Belgium's sincere wish that a new trade round can be launched in Seattle. In that perspective, I would like to underline five priorities.

1. Our first priority is <u>further substantial trade liberalization</u>. Belgium is among those countries that request the elimination of remaining trade barriers, tariff and non-tariff barriers alike. We advocate a comprehensive tariff negotiation aiming at reducing tariffs, removing all tariff peaks and harmonizing the tariff structures of all Members across all non-agricultural products. A credible market access negotiation must be accompanied by a comprehensive non-tariff initiative.

Small and medium-sized companies, large in number, dynamic and innovative, constitute the basis of Belgium's economic fabric. Inefficient and often unnecessary procedures hamper their international trade activity. The WTO should be committed to simplifying these procedures at the international level.

2. A second Belgian priority is related to the place of developing countries in the global trading system. Belgium is aware of the problems that these countries face in trying to participate in the international trading system and obtain full benefits from trade liberalization. Belgium has decided to contribute to the efforts of the WTO in offering enhanced technical assistance to developing countries in order to help them cope with the challenges of globalization. My country is also sensitive to preoccupations of developing countries with regard to certain aspects of the application of the TRIPs Agreement.

Special attention should be given to the least developed countries. In this respect Belgium fully supports the EU proposal to grant duty free market access for essentially all products of these countries. I would also like to point out that these countries are already an important priority in Belgium's bilateral cooperation policy.

3. New challenges confront the international trading system.

As in a growing number of other countries, liberalization of international trade and rapid modernization of the economy give rise to growing concerns and preoccupations in Belgium.

One of these preoccupations is sustainable development. Belgium would like the WTO to commit to this idea and better incorporate it into its strategy. It is also important that the relationship between international environmental standards and multilateral trade rules be clarified and that environmental and trade policy measures be mutually supportive.

Food security and quality are issues of growing importance for Belgian consumers. Problems related, for example, to the "mad cow disease", hormones or the dioxin crisis, have recently given an extra dimension to these concerns. This forces us to monitor closely the correct application of international standards on food security and aim for a better understanding of the precautionary principle.

- 4. Belgium attaches particular importance to the relationship between trade and <u>international labour standards</u>. We regret that the important work accomplished in the ILO since Singapore has not received sufficient support in the WTO. Belgium advocates that the issue of international labour standards should be dealt with in a constructive and non-confrontational manner within the WTO, in close collaboration with the ILO. In no case will Belgium accept that this debate becomes a pretext to apply measures of a protectionist nature.
- 5. My country is rich in cultural diversity. From our experience, we have learned to respect cultural expressions in their diversity. It seems self evident that these principles can expect the same attention at the international level.

It is very important that these negotiations on further trade liberalization and the reinforcement of the multilateral trade system can take place with transparency and in continuous dialogue with all interested parties. The WTO will have to adapt itself to this new reality.

The multilateral trade system, as it is embodied by the WTO, is of crucial importance to a country, which like mine, is very open to the world. It is a powerful engine for economic growth, prosperity and employment.

This system has proven to be of great value and usefulness. We have to make every attempt to ensure that it will continue. Belgium is prepared to contribute to this goal.
