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## FINLAND

Statement by H.E. Ms Paula Lehtomäki  
Minister for Foreign Trade and Development

Let me begin by thanking the Mexican Government for the excellent arrangements of the Fifth Ministerial Meeting, as well as Director-General Dr Supachai and his staff for the preparative work.

I would also like to thank the Chairman of the General Council, Ambassador Perez de Castillo, for his remarkable contribution by providing us a Draft Cancún Ministerial Text.

Rules-based trade liberalization has built welfare and enhanced competitiveness in Finland. Our positive experience of trade liberalization is certainly not unique. Benefits of open trade policies have been constantly proven by economic studies.

Trade liberalization and even economic growth are by no means ends in themselves. It is up to governments to make use of resources in a best possible way. Trade creates wealth to invest in education, health and infrastructure, based on national policies. It also provides means to fight hunger and poverty in accordance with our common commitments.

The Doha Development Round offers us an opportunity not only to further liberalize markets and to develop trade rules but also to pay particular attention to the developmental aspects. It is our duty to make use of this opportunity.

Finland attaches great importance to the integration of developing countries into the world trading system by improving their market access and by building their capacities. I would like to stress in this context Finland's continued strong support for the Integrated Framework and the DDA Global Trust Fund.

Members have agreed that sustainable development is an overarching goal of the trade negotiations. It is important that while the WTO acknowledges the legitimacy of environmental concerns, it doesn't allow to discriminate between one's own products and services and those of foreign competitors. We should be ready to send out a clear signal that the WTO is ready to intensify its work on environmental issues related to trade. However, sustainable development is not only a question of trade and environment but necessitates also sustained economic growth, social justice, and respect for human rights.

Agriculture is in many ways the deal-maker or deal-breaker in the negotiations. We should strike a balance between better market access and other trade measures, non-trade concerns and domestic support. The recent CAP reform shows that the EU is ready to lower farm subsidies that distort trade and harm developing countries interests. However, we should make sure that all consumers are allowed to maintain their right to locally produced food. Likewise we should ensure

the viability of traditional family farms - both in developed and developing countries - also in the future.

Negotiations on market access in industrial goods are still the backbone of trade negotiations. We expect that these negotiations will in the end match the ambition of agricultural negotiations. We should for example leave possibilities open to deeper cuts in specific sectors of export interest to all countries. Finland is particularly interested in furthering the work on environmental goods and services.

It is important to keep the rules-based trading system updated. While the overall role of Foreign Direct Investment (FDI) has grown dramatically, developed countries still account for most of FDI outflows and inflows. This trend should be reversed.

Investments are possible if the legislative and regulatory environment is transparent and predictable. An Agreement on Trade and Investment, together with an Agreement on Trade and Competition, would contribute to this end while still preserving countries right to regulate and pursue domestic policy goals.

A commonly agreed binding regulatory framework on Trade Facilitation and increased transparency in government procurement would improve efficiency, lower government costs, increase possibilities to combat bribery and corruption and thus enhance good governance.

We should use this Fifth Ministerial to steer the process and make necessary decisions to conclude our work by the end of the next year. This would boost the economy and give confidence that we can help those people most in need to make their lives better.

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