

WORLD TRADE ORGANIZATION

WT/MIN(03)/ST/97
12 September 2003

(03-4881)

MINISTERIAL CONFERENCE
Fifth Session
Cancún, 10 - 14 September 2003

Original: Spanish

PERU

Statement by H.E. Mr Jorge Voto-Benales
Ambassador, Head of Delegation

I should like to thank the Government of Mexico for its generous hospitality as host to this important meeting and congratulate it on the excellent organizational arrangements.

Peru has come to this WTO Ministerial Conference with the sincere and firm intention of confirming its full commitment to the multilateral trading system, a system based on predictable, transparent and mandatory rules for all Members.

We recognize the major benefits of international trade liberalization in terms of economic growth, increased export competitiveness, possibilities of exploring new markets and opportunities for all countries, as attested by Peru's own experience over more than a decade.

However, much work remains to be done. Developing countries need rapid quantitative and qualitative advances in order to improve their development opportunities and thus lessen the major economic inequities which exist at both international and domestic level. Trade can and must play a key role in this endeavour.

Peru has thus placed its hopes in the great opportunity afforded by these negotiations for the multilateral system to ensure greater and improved market access and increasingly less discretionary and trade-distorting rules, in particular for developing countries. There is also a need for the system to tackle the major trade imbalances between developed and developing countries and the latter's small or restricted share in the benefits of multilateral free trade, by establishing precise and effective disciplines and tools in accordance with the principle of special and differential treatment.

From this perspective, Peru is disappointed by the lack of progress to date in the Doha Development Round negotiations in spite of technical efforts both in Geneva and in our capitals, in particular with regard to issues of vital concern to developing countries. We hope that this Ministerial Conference will see the achievement of greater flexibility in the most extreme positions and positive consensus-building for developing countries so that it comes to represent a major step forward and the negotiations can be concluded within the time-frame agreed at Doha.

With regard to agriculture, for Peru it is crucial that the establishment of a basket of special products for developing countries, with zero or minor reductions in bound tariffs, be considered in the framework of the modalities to be approved. We feel that such a basket should contain a limited number of products, thereby enabling us to address our food security, rural development and subsistence concerns.

Given that agriculture is the main livelihood and key source of employment for a substantial proportion of our population, especially in Andean rural areas, the special products regime and the

special safeguard which we have proposed are a vital means of freeing them from poverty and exclusion. Likewise, our climatic and biological megadiversity harbours enormous potential. The elimination of all tariff and non-tariff barriers by developed countries is therefore a priority for Peru, in order to maximize access to their markets for our products. Moreover, there can be no delay in reaching agreement on a framework defining agricultural negotiating modalities which provides, in the shortest possible time-frame, for a significant reduction in domestic support and the elimination of export subsidies which distort competition in international agricultural trade.

We particularly welcome the adoption of the Decision on the Implementation of Paragraph 6 of the Doha Ministerial Declaration on the TRIPS Agreement and Public Health, which strengthens the necessary flexibilities for Members to be able to protect the life and health of their populations. This historic agreement resolves an issue which is closely linked to the development of the poorest countries and reaffirms the primacy of solidarity and humanitarian values.

Peru, like most Latin American countries, has made bindings throughout its tariff universe. We therefore hope that the negotiations on non-agricultural products take account of our countries' endeavours, as well as the principle of special and differential treatment through less than full reciprocity, when addressing tariff reduction. Furthermore, we expect tariff peaks, tariff escalation and non-tariff barriers to be effectively eliminated in the sectors of interest to us.

Peru stands ready to enter into multilateral negotiations on all of the Singapore issues, given that it implemented far-reaching economic and commercial reforms in the 1990s with a view to global integration. In this connection, we have developed an attractive legal framework for investment, an advanced system of competition law, an efficient and trade-facilitating Customs system and a transparent legal framework for government procurement.

We also believe that there is a potential for comprehensive benefits to be derived from the negotiations on the Singapore Issues if they go hand in hand with a commitment to extensive international training and technical assistance for the sake of capacity-building.

We shall continue to cooperate in a positive and constructive manner with a view to entering into negotiations on these four issues, taking into consideration the progress, definitions and time-frames which have to be established beforehand on issues such as agriculture, non-agricultural market access and special and differential treatment.

I wish to take this opportunity to say that Peru particularly welcomes the Agreement reached between the WTO and UNIDO, which will pave the way for substantial improvement in technical cooperation on behalf of developing countries by including programmes coordinated by the two organizations and geared towards overcoming supply constraints and diversifying and increasing the added value of our exports by strengthening productive capacity in the industrial sector.

We are well aware of the current international economic climate and of the importance of providing economic operators with the necessary signals to boost confidence in the system and stimulate the growth of trade and the global economy. In this connection, we intend to do our utmost to promote consensus-building so that this Ministerial Conference can take an essential step towards fulfilling the objectives of the Development Round.
