

WORLD TRADE ORGANIZATION

WT/MIN(01)/ST/48
10 November 2001

(01-5617)

MINISTERIAL CONFERENCE
Fourth Session
Doha, 9 - 13 November 2001

Original: Spanish

CHILE

Statement by H.E. Mr. Hernando Muñoz
Under-Secretary of Foreign Relations

On behalf of the Government of Chile and President Ricardo Lagos, I wish to thank the Emirate of Qatar for its warm hospitality as host of this Fourth Ministerial Conference. I also wish to express our sincere gratitude to the WTO Secretariat, in the person of its Director-General, Mr. Mike Moore, and to the Chairman of the General Council, Mr. Stuart Harbinson, for the strenuous and invaluable efforts they have put into the preparation of this meeting, the draft ministerial declaration, and other documents.

We have a major responsibility, over the next few days, to achieve the agreements needed to enable us to launch an extensive programme of negotiations in the WTO. We cannot fail in this mission, for at least two powerful reasons.

First of all, the failure of Seattle is still fresh in our memories and in world public opinion. If we are once again incapable of reaching agreement on a work programme which respects the interests and realities of all WTO Members, I am afraid that this will be too hard a blow for the Organization and for the world economy. In those circumstances, the WTO would lose credibility and relevance. We believe that a multilateral trading system based on universally accepted rules, and not simply on the exercise of power, is an asset too valuable to be placed in jeopardy at this meeting.

The second reason for approving the launch of a new round here in Doha is the current world economic and political climate. A few days ago, the WTO Secretariat, basing itself on figures for the period January to June 2001, forecast that world trade in goods for this year will grow by a maximum of two per cent. This is a reflection of lower demand noted simultaneously in the United States, the European Union and Japan. The effect of the terrorist bombings of 11 September on global economic activity and expectations could even threaten that modest two percent figure. In the wake of 11 September, we need to be thinking about global "economic security" in addition to the issue of physical security raised by the terrorist threat. At a time like this, we must be equal to the circumstances. If we succeed in overcoming our legitimate differences and in launching a new round with a broad and balanced programme, this would be an enormous contribution to renewed confidence and optimism, and would thus contribute to the recovery of the global economy.

I should like to refer briefly to what Chile considers should be the main features of the new round. First, and this is a concern shared by many developing countries, it is essential to reach agreement on an ambitious and credible negotiating mandate for agriculture. In the year and a half that has passed since the mandated negotiations on agriculture were initiated in Geneva, it has become very clear that the negotiating mandate derived from Article 20 of the Agreement on Agriculture is totally inadequate. We need a new mandate with crystal clear objectives for the three negotiating pillars: elimination of all forms of export subsidization; substantial reduction in trade-distorting domestic supports; and substantial reductions in the barriers to market access. We cannot accept that,

on account of subsidies, the developing countries should be made to bear the cost of protectionist agricultural policies. It will not be our peasant farmers who pay for such protectionism.

We also need a mandate which establishes intermediate goals and specific time-limits for achieving them. Let me be very clear on this: a programme of negotiation which does not put agriculture in its rightful place as a central agenda item will be condemned to failure. The degree of ambition with which agriculture is tackled will determine the level of success it can be hoped to achieve in the other areas.

Secondly, we believe that the issue of anti-dumping duties and the growing use and misuse of such duties for protectionist purposes must be tackled seriously in a new round. It seems to us that a great majority of WTO Members share this view. It is hardly worth continuing negotiations on the opening up of markets for agricultural and industrial goods, which we firmly support, if the alternative of frequently unjustified recourse to trade defence mechanisms continues to be practised. The unfair use of anti-dumping duties is a form of back-door protectionism which frequently negates the tariff liberalization achievements of free trade agreements.

As far as the environment is concerned, we recognize that governments must respond to environmental risks and problems flexibly, expeditiously and on a scientific basis. But such measures must be adopted within the framework of multilateral rules and disciplines, avoiding the risks that could lead to protectionism and discrimination. We must preserve a necessary balance between sustainable development and free trade, since in the final analysis both objectives are mutually supportive.

Finally, we enthusiastically welcome the accession of the People's Republic of China to the WTO at this conference, an accession which will enrich the Organization and bring fresh vitality and optimism to the global economy. We also welcome the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu.

An arduous and important task lies ahead of us. I invite all concerned to exert themselves to the best of their ability for the sake of the success of this ministerial meeting.
