

WORLD TRADE ORGANIZATION

WT/MIN(03)/ST/108
13 September 2003

(03-4895)

MINISTERIAL CONFERENCE
Fifth Session
Cancún, 10 - 14 September 2003

Original: English

FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Statement Circulated by H.E. Mr Ilija Filipovski
Minister of Economy

The Republic of Macedonia has recently become a Member State of the World Trade Organization. I as a Minister of Economy, at this moment, can emphasize that the Republic of Macedonia as a Member State, through constructive and responsible approach would do everything to justify the confidence that the WTO Member countries has given to it. I would also like to express my gratitude for the assistance and the support that the Republic of Macedonia has obtained in the accession process by the countries participating in the Accession Working Party and the WTO Secretariat.

The WTO accession is of great importance for the Republic of Macedonia. In the period of adjustment to the international trade rules and principles, the Republic of Macedonia will continue to develop and strengthen the trade relations with the WTO Members. The realization of the undertaken obligations from the WTO Membership is not a simple task at all, but it is a process requiring responsibility and work.

The effects of the entry of the Republic of Macedonia in this multilateral Organization are of a long-term character for my country and I would like to mention just few of them such as: increasing the competition of goods and services, greater transparency and predictability in trade, increasing the foreign direct investments, providing conditions for free trade and the Macedonian export acquires the MFN treatment.

Regardless of the difficult conditions and the external problems, such as the political and economic instability, the conflicts in the region, losing the traditional markets and the big reduction of the foreign direct investments, the Government of the Republic of Macedonia has shown a great persistence in its policy of rule of law and parliamentary democracy in the stabilization of the economy, implementing the structural reforms and determination for WTO Membership.

In the light of that, the Republic of Macedonia, having in mind the undertaken commitments of its Membership, is strongly convinced that with its active participation in the multilateral trading system it will contribute for greater economic development of the country. In that context, I would like to emphasize that the Republic of Macedonia, in the accession process, has already taken significant commitments in the market access and due to that, further new commitments in direction of additional liberalization would cause serious consequences on the economic development of the country and would create instability.

For Macedonia as a small economy and economy in transition, very important is also the issue of development of the regional cooperation. and trade liberalization, which is in fact complementary to the multilateral trading system. In that direction, the Republic of Macedonia has

./.

shown a success in promoting the regional cooperation and has concluded Free Trade Agreements with its regional partners. I would like to emphasize the importance of the Stabilization and Association Agreement with the EU. Also the Republic of Macedonia has undertaken obligations with the Memorandum of Understanding for trade facilitation and liberalization, signed by the countries of the Stability Pact for South-East Europe.

The positions of my Government with regards to some outstanding issues of the Doha Ministerial Declaration are result of the situation that the Republic of Macedonia is in.

As an agricultural country, with tradition of employment in the agricultural sector, the agriculture in Macedonia is an important segment in the overall economic policy, which could contribute to the economy growth, employment, protection of the national resources and regional development. Thus, we follow negotiations in this field with great interest.

As a result of the accession the Republic of Macedonia has lost the right to provide direct export subsidies for the agricultural products. This fact influences the competition of our products in comparison to the subsidized products. Thus, the Republic of Macedonia in principle supports the position, for complete and accelerated elimination of all export subsidies.

We also support the initiative for introduction of multilateral system of notification and registration of geographical indication for wines and alcohol's and at the same time we support the idea for establishment of such a system and for the other products, marked by protected geographic indications.

As a country that has recently accessed and undertaken many concessions and commitments, the Republic of Macedonia will not be in a position to accept new commitments and implement further measures for additional liberalization on equal level with the countries that has accessed much earlier. On the basis of this, we endeavour for exemption of the new accession countries from the application of the future commitments and future liberalization of the market access, both for agricultural and non-agricultural products, in a reasonable period of time, i.e. to start implementing them after implementing the previously taken accession obligations. We also require special and differential treatment in direction of lower percentage of tariff reductions and longer period of implementation in the future liberalization, as well as maintaining the constant level of domestic support in agriculture.

In the WTO accession process the Republic of Macedonia has not acquired the status of developing country despite the relatively low level of development and size of the economy. Due to that the Republic of Macedonia supports the idea of introducing the criterion for classification of members according to their level of development, and at the same time supports the discussion for development of special treatment of the developing countries.

The Draft Text of the Ministerial Declaration and the other documents, for which it is necessary to enact decision, are solid basis for work here in Cancún. The Republic of Macedonia will give its contribution in the finalization of these documents, which would provide for establishment of a working programme of interest for all Member countries.

I would like to conclude by using this opportunity to once again confirm the intention of the Government of the Republic of Macedonia to be part of the multilateral trading system, which would sec its future and protection of the individual interest through one well established legal system enabled by WTO and by future multilateral trade negotiations.
