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PARAGUAY

Statement by H.E. Mrs. Leila Rachid de Cowles
Minister for Foreign Relations

1. First of all, I should like to express our solidarity with the people of the United States, where so many victims of this tragic event had their homes. We who witnessed the horror exactly two years ago have the firm political determination to pursue the struggle against terrorism without renouncing the effort for one single instant. We also offer our condolences to Sweden on the sad death of our dear colleague, Anna Lindh, Minister for Foreign Affairs.
2. For the delegation of Paraguay, it is a commitment to be able to participate in this Fifth Ministerial Conference of the World Trade Organization.
3. We are attending this important event with the firm determination to promote more liberal international trade that has clear, just, equitable and non-discriminatory rules which take into account the interests of all Member States, especially those of the developing countries, as prescribed in Doha in the Development Agenda.
4. My country's Government is engaged in this task and is seeking to strengthen the WTO itself as an instrument for development so as to enable all Member States, without exception, to achieve the long-desired sustainable economic development that will allow our people to raise their standard of living.
5. Almost 80 per cent of Paraguay's exports come from the agricultural sector, so it is clearly a country where agriculture predominates, and in its view the focus of the negotiations is agriculture. As members of the Cairns Group and MERCOSUR, we consider that the level of ambition in the agricultural modalities, in terms of percentages and timetables for liberalization, will be decisive for the progress made in all the negotiations in this Round.
6. We draw attention to the Agreement on Agriculture and to the provision in Article 20 on continuation of the reform process and, once again, we reaffirm our commitment in accordance with paragraphs 13 and 14 of the Doha Ministerial Declaration.
7. In this context, we once more underline the importance of complying with these mandates in order to achieve in-depth reform of agriculture based on the three pillars: improved market access, the elimination of all forms of export subsidies, and substantial reductions in trade-distorting domestic support.
8. The continued imbalances and distortions in trade in agricultural products must be remedied in the short term so that the far-reaching reform envisaged becomes a tangible reality and not a grand utopia.

9. This is why, together with 20 countries that as a whole represent over 51 per cent of the world's population and 63 per cent of farmers, we sponsor, support and endorse a proposed framework understanding on laying down the modalities for these negotiations, consistent with the ambition outlined in the Doha Mandate. The text put forward by the G21 should serve as a basis for these negotiations so that substantial progress can be made and we are open to dialogue with other regions in order to ensure that Cancún will be remembered as a successful Conference.

10. Paraguay is a land-locked developing country whose economy is small and vulnerable. It has to face this geographical disadvantage, which implies higher transport costs in general and for its goods in particular, and is making increasing efforts to obtain effective access to regional and international markets for its products.

11. This Ministerial Conference in Cancún provides us with an excellent opportunity to make considerable progress in implementing the measures eagerly awaited by land-locked developing countries in order to offset the negative effects of their special geographical situation by improving the transport infrastructure leading to the coast; effective trade facilitation; and proper access to markets, as agreed at the recent Ministerial Conference on Land-Locked and Transit Developing Countries, held in Almaty, Kazakhstan, under the auspices of the United Nations. We have been mandated to represent these countries and put their legitimate aspirations before the Fifth Ministerial Conference.

12. Paraguay emphasizes that participation in international trade by land-locked developing countries is crucial for their future development. This is why we urge land-locked developing countries that are not yet members of the WTO to accede rapidly and Members of the Organization to give special consideration and flexibility to these countries as well as the assistance needed during the accession process.

13. In this context, we extend our warm congratulations to Nepal on its accession to our Organization and also welcome Cambodia.

14. Paraguay believes that special and differential treatment applied in conformity with the rules of multilateral trade will enable developing countries to participate effectively in global trade.

15. In this respect, it is important to point out that Paraguay is not opposed to the establishment of preferences. These should be granted to developing countries in the terms of the Enabling Clause, that is to say they should be specific, non-discriminatory and non-reciprocal, as recently affirmed in the preliminary report of the Panel in which Paraguay took part as a third party.

16. In recent years, Paraguay has suffered the effects of the preferential discriminatory treatment granted to developing countries by certain developed countries. This practice, which we denounce, distorts trade and must be stopped because it is causing serious injury to our economy and particularly to the emerging industrial export sector.

17. Paraguay firmly believes that the long-term interests of all developing countries would best be met by a secure, fair and predictable multilateral trading system in which the rules are applied systematically and consistently.

18. There are moments when peoples choose their historic destiny. The century in which we are living is marked by the need to expand development to include the universal society that is suffering and is looking from afar at the barriers put up against it and which prevent it building its future.

19. The message from the Secretary-General of the United Nations, Kofi Annan, was sufficiently profound to reach the conscience of powerful countries. The ovation given to President Vicente Fox when he spoke of the need to give everyone a hearing is a sign that he was speaking on behalf of

humanity. Today in Cancún, the construction of civilization is at a standstill and it must move forward. Paraguay is a democratic country in which there are freedoms and it wants to see a fairer society in the future, but this is only possible if there is substantial change that takes into account the needs of our people.
