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PAPUA NEW GUINEA

Statement by The Honourable Kilroy Genia, M.P.
Minister for Foreign Affairs and Trade

Let me from the outset extend on behalf of my Government and my delegation, our felicitations to you and your Government for playing host to this historic inaugural WTO Ministerial Conference in your beautiful city.

I also congratulate you and your Government for the excellent organization of this Conference.

Over two years ago, the Uruguay Multilateral Trade Negotiations were concluded in Marrakesh when WTO Members took a bold step towards concerted trade liberalization on a global scale. At about the same time, the APEC economic leaders launched the Bogor Declaration to liberalize trade and investment by 2010 and 2020 in the Asia-Pacific region.

Papua New Guinea is encouraged by these initiatives which no doubt will contribute to and increase the well-being of our people.

Efforts have and are being made towards trade liberalization by means of regional, sub-regional and bilateral arrangements.

My Government acknowledges WTO as a vital and dynamic Organization that upholds many noble goals.

It certainly will require the commitments and collective efforts by all Member countries to realize these goals.

For our part, Papua New Guinea has a specific action plan on trade and investment liberalization and facilitation consistent with the goals of WTO and APEC for that matter.

We have in fact reduced our tariff bands to acceptable levels on necessity goods, selective industry inputs and capital equipments. We are also making progress to further reduce tariff measures.

Papua New Guinea is committed to the freeing-up of the global trading system and the elimination of impediments to trade. We are convinced that this will ensure sustainable economic growth for both developed and developing countries.

Trade liberalization efforts have drawn many of the small developing and least developed countries to pool their resources together to integrate their economies in pursuit of WTO objectives and goals.

You may already be aware that the countries in the South Pacific region, including Papua New Guinea, have already taken a collective approach to address the development needs and management challenges especially in our fisheries and marine sectors.

At the sub-regional level, the free-trade area arrangement among Melanesian countries have registered progressive growth as the commodities list is expanded. Growth perpetuated by free-trade zones which translates to improvement in the standard of living for the mass population is consistent with the WTO principles.

Just a few weeks ago, my Prime Minister proposed to the APEC economic leaders, the establishment of an APEC centre in Papua New Guinea as a conduit for small Pacific island economies to be meaningfully involved in the trade liberalization process.

We are grateful to the APEC economic leaders who in their wisdom gave support and endorsement to my country's initiative. With UNDP's commitment to provide financial and technical support we intend to establish this facility next year.

These are some of the efforts that Papua New Guinea and the countries in our region have been engaged in on trade liberalization and facilitation and regional economic integration.

Papua New Guinea's membership to WTO has not been a smooth sailing one.

Like many developing countries who are constrained by lack of adequate financial and manpower resources, coupled with inadequate institutional framework, Papua New Guinea's compliance relating to its notification obligations have been slow.

Papua New Guinea would like to emphasise the need for WTO assistance, especially for those developing countries with technical, financial and institutional difficulties. Such assistance should be in the form of providing training opportunities to their nationals to fully understand WTO's operations so that they can participate effectively and respond appropriately to fulfil their obligations and commitments.

I am indeed delighted to note that WTO is organizing a meeting for its Members with aid agencies and multilateral financial institutions next year to foster an integrated approach to assist least developed countries to meet their obligations under the WTO Agreements.

The problem of failing to meet obligations is not exclusive to least developed countries and the extension of such arrangement to include developing island countries should be considered.

I have noted that WTO has concluded a Cooperation Agreement with the World Bank and the IMF for greater coherence in global policy making, and hope that concerns of developing countries will now be addressed with more sensitivity.

It has been noted that WTO wants to promote cooperation and development through technical assistance. Papua New Guinea welcomes this initiative, but would like the technical assistance to be tailored to improve competitiveness of industries and products in developing countries rather than just addressing notification problems faced by developing countries.

Turning to the issue of trade and environment, I wish to affirm Papua New Guinea's commitment made at the Rio Summit in August 1992 and the Berlin Climatic Change Summit in 1995 on sustainable development and protection of the environment.

Whilst committed to those undertakings, Papua New Guinea is rather concerned that trade has been subjected to environmental issues.

As a developing country whose economy depends heavily on natural resources - forest, fisheries, mining, agriculture and the fact that the majority of its rural population's livelihood depends on subsistence farming, fishing and hunting, we are wary of the potential adverse effects of the environment debate.

Mindful of its relevance, Papua New Guinea has strong reservations for suggestions to conclude a multilateral investment agreement under the WTO.

As a developing country, many of our industries are still being developed and will take sometime to mature, while the workforce is trying to acquire skills that industrial nations have developed many years ago.

Such an agreement, if endorsed will not only be counter-productive to our national development efforts, but will push us further back to the vicious spiral of aid dependency which Papua New Guinea is trying to break out of.

On the question of labour standards, Papua New Guinea shares the views of those countries who have stated that WTO is not the appropriate forum to discuss this issue. We would rather leave this to individual countries and their ministers responsible for labour to deal with under the ILO framework.

On the matter of transparency and code of conduct for government procurement, Papua New Guinea like many Member countries has its own business culture which it wants to preserve.

We have our own legislation under the National Constitution to discipline the leaders. It is rather superfluous for developed countries to impose moral codes of behaviour on developing countries.

In this regard, Papua New Guinea would rather like to see this issue be better left to individual countries to address rather than overburden the work of this august Conference.

With these global changes, we have a new world. It is larger and highly internationalized, promising much while posing many challenges ahead of us.

The WTO must be seen as the prime vehicle to spearhead and facilitate moves towards liberalizing trade and investment, the prime objective being the development of a freer trading environment globally.

Papua New Guinea is committed to WTO and will cooperate in its endeavour to securing the noble goals and aspirations in this global family.

We believe that the credibility of the WTO will be strengthened if the universal character of it is preserved.

In this respect, we urge that accession procedures for the countries who have applied for membership including those from the South Pacific region be fast-tracked and given immediate attention.

Finally, permit me to express my delegation's most sincere gratitude for the warm welcome and the hospitality accorded to us by the people and Government of Singapore.

Let me also thank the Director-General, Mr. Renato Ruggiero and his hard-working WTO staff for the assistance given to Papua New Guinea in our efforts to join WTO and all the technical assistance given leading up to this meeting.