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## ISRAEL

Statement Circulated by Mr. Natan Sharansky,  
Minister of Industry and Trade

The Government of the State of Israel would like to congratulate the WTO on the 50th Anniversary of the multilateral trading system. Over the past 50 years, the GATT and later the WTO have played a crucial role in directing and regulating international trade and trade practices and I believe that we should all applaud its extraordinary record of success. It has changed the map of international trade. Emphasizing the common interest, the multilateral trading system has levelled out differences while preserving essential individualities and needs of Member countries.

Also founded in 1948, we in Israel are proud to share our 50th Anniversary with the multilateral trading system.

Israel is a relatively young state and has only been a member of GATT since 1962. However, our commitment to the concept of an open economic system is undoubted as is the great importance we attach to the role of the World Trade Organization. The success of the WTO stems from the fact that it transcends geographic and political borders and focuses on our shared pursuit - expanding international trade in order to enhance economic development to the benefit of all member countries.

Israel views free-trade agreements as a means to greater integration into the global economy, and we see regional agreements as consistent with and complementary to the multilateral trade system and its rules. Our experience has shown that these agreements can contribute to global trade liberalization. Implementing this approach closer to home, we are presently laying the foundations for regional economic relations with our neighbours in the Middle East.

Regarding the future work programme of the WTO, Israel supports a comprehensive trade round of negotiation approach covering all sectors, particularly industrial goods.

Israel welcomes the progress made by the Council for Trade in Services in developing a programme for the exchange of information in preparation for negotiations to begin by the year 2000. We view this programme as an important step toward the opening of the negotiations. We believe that it will contribute to further transparency and assist Member countries in the achievement of further liberalization.

Israel's specific commitments reflect an open, liberal regime in trade in services. In particular, Israel's recent commitments in financial services and telecommunications reflect its policy of liberalization of the economy.

Israel welcomes the successful conclusion of the landmark Agreements on basic telecommunications and financial services this past year and views these Agreements as instrumental to the enhancement of overall trade in services.

As a major player in the development of the field of electronic commerce, Israel attaches great importance to a global pact within the framework of the WTO. After an initial examination of the issue, Israel supports the proposal for a standstill on the existing situation of not imposing customs duties on electronic transmissions while a work programme is developed within the WTO to examine the subject and its implications for the WTO.

Israel affirms its support for all efforts to simplify customs procedures worldwide to facilitate the expansion of global trade and supports the designation of a dedicated group to study the subject. Bureaucratic customs procedures may seriously hinder trade. In this regard, Israel has developed an integrated electronic foreign trade system to facilitate and simplify all stages of customs clearance procedures from shipment to payment.

Israel recognizes the growing importance of the link between investment and trade in the international economy. Israel's inward and outward investment regime is open, stable and liberal, and in recent years, has served as an engine for economic growth. Israel supports the work of the WTO in this regard.

In public procurement, Israel favours the expansion of transparency in all relevant procedures. All nations stand to gain from greater access to public tenders. We would like to stress that Israel is a party to the plurilateral Government Procurement Agreement, and has already taken upon itself substantial obligations to open its public tenders. In this context, we urge other Member countries to positively consider joining this agreement. Israel would also like to take this opportunity to commend the ongoing work of the Working Group on Transparency.

We favour the incorporation of trade and competition into the future agenda of the WTO. It is important for all WTO Members to implement domestic competition rules and regulations in parallel to trade liberalization. Israel commends the work being undertaken in the working group on trade and competition and looks forward to its report.

Israel welcomes the accession of new countries to the WTO and would like to recall that acceding countries shall accept the fundamental WTO rules of non-discrimination and market access upon their accession.

On the threshold of the 21st century, mankind faces many challenges as a result of its unprecedented technological progress. We face major ethical dilemmas as well, for the old challenges of local enmity, religious and racial discrimination have not been overcome. While these are not the missions of the WTO, it does not operate in a vacuum. Israel would like to reiterate its hope that in order to maintain efficiency and credibility, the WTO shall continue to focus without politicization on its mandate - namely the operation of a rule-based world trading system.

Over the past fifty years of achievement, we have learned to successfully operate a rule-based multilateral trading system through consensus. The WTO has already been faced with new challenges such as trade in cyberspace - a term no one had ever heard of - even ten years ago. The WTO is now ready to take on the challenges of the next fifty years and succeed. We wish it and ourselves all success.

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