

WORLD TRADE ORGANIZATION

WT/MIN(01)/ST/18
10 November 2001

(01-5605)

MINISTERIAL CONFERENCE
Fourth Session
Doha, 9 - 13 November 2001

Original: English

HONG KONG, CHINA

Statement by Mr Chau Tak Hay
Secretary for Commerce and Industry

1. Two years after the failure of the Seattle Ministerial Conference, world economies have become even more inter-dependent. The challenge for governments – which is even more urgent now – is to unlock the enormous potential for prosperity which globalization is bringing; and to harness and channel it for the benefit of our citizens.
2. The world is watching us closely to see if the WTO can finally get its act together, after so much talking in the past two years in Geneva. We simply cannot afford a second failure.
3. If Seattle has taught us anything, it is that a successful Ministerial Conference is only achievable if it is approached as a collective responsibility. What is at stake now is the credibility of the WTO as an institution to promote global liberalization and non-discrimination. This is something that each and every Member of the WTO should care deeply about.
4. We have arrived at an important moment in the history of the multilateral trading system. It is also a dangerous moment, for the further deterioration in global economic conditions as a consequence of the tragic events of 11 September in New York and Washington has made the launching of a new Round even more pressing and even more important.
5. Hong Kong, China condemns in the strongest terms possible the atrocities which were perpetrated on 11 September. But these crimes against humanity have galvanized many WTO Members into action. They have made us more determined to succeed and to go the extra mile in order to launch a new Round.
6. I recall citing two years ago three major challenges that the multilateral trading system was facing:
 - Firstly, to sustain the momentum of liberalization;
 - secondly, to update and develop the framework of existing rules; and
 - thirdly, to ensure the WTO becomes truly universal and inclusive, while maintaining its present character.
7. In my view, these three challenges remain valid today. I am pleased to note that, at this meeting, we are taking a huge step forward in realizing the third. The accession of China will significantly enhance the universal nature of the WTO.
8. China's entry into the WTO will have no effect on Hong Kong's participation in the WTO. Hong Kong will continue to be a separate Member of the WTO using the name "Hong Kong, China". Under the "one country, two systems" principle, we will continue to be a separate economic entity and a separate customs territory. Our trade and economic policies will continue to be made entirely in the

Hong Kong Special Administrative Region and they will continue to be separate from those of the mainland of China.

9. Where the first two challenges are concerned, I note that the WTO already has a very full agenda on issues directly related to trade. These include the mandated negotiations on services and agriculture; market access for non-agricultural products; reviews of various rules, and the timely and faithful implementation of the Uruguay Round commitments by all Members. In addition, many Members are also prepared to put on the agenda further work on e-commerce, transparency in government procurement and trade facilitation.

10. Having said that, I must add that we fully recognize the importance of two issues which some Members wish to place on the agenda: trade and competition and trade and investment. But the long and so far unsuccessful struggle to reach agreement on these subjects makes it clear that Members, because they are at different stages of development and have different domestic policy orientations, hold widely divergent views which are difficult, if not impossible, to reconcile. Frankly, I see only one practical solution, which is to respect individual Members' domestic policy needs and provide a mechanism under which they may choose whether or not to participate in negotiations.

11. Another difficult subject is trade and the environment. We fully appreciate and support the vital objectives of sustainable development. Progress towards meeting this objective must not, however, be undermined by covert protectionism. Subject to this important caveats, we have a fairly open mind on how this issue is to be resolved.

12. We also have before us a draft declaration on TRIPS and public health. We are aware that many developing and least-developed countries are suffering tragically from pandemic diseases such as HIV/AIDS. We have a moral duty to be supportive of their efforts in combating these most serious and life-threatening problems. Recognizing that intellectual property protection also has a key role to play in the development of new medicines, I believe that a delicate balance needs to be struck. I urge all my fellow colleagues to work together and identify an outcome that is acceptable to all and which promotes access to medicines for those desperately in need.

13. Hong Kong, China wishes to emphasize the necessity for the WTO's future work to address the concerns of developing countries, including especially the least developed. That is why we are glad to see that this need is amply reflected in the draft Ministerial Declaration. We strongly believe that the multilateral trading system promotes development. We will continue to play our part in supporting the WTO's technical cooperation activities.

14. The WTO alone, however, cannot solve all the world's problems. It should concentrate on its core business. In doing so, it can play a very important role in overcoming the current global economic slowdown and in promoting economic development.

15. If we fail to grasp the historic opportunity we now have to launch a round, we all stand to suffer from a self-inflicted lingering economic malaise. Furthermore, the multilateral trading system itself will suffer as more and more Members channel their energies into preferential trading arrangements, thereby compounding economic distortions and undermining the operation of comparative advantage. To Hong Kong, China, which practises non-discrimination, this would be a travesty.

16. We urge other Members to join us in pledging an all-out effort to ensure that the Doha Ministerial Conference is remembered as a turning point, leading to economic prosperity, development and an increasingly vibrant trading system.