

WORLD TRADE ORGANIZATION

WT/MIN(03)/ST/84
12 September 2003

(03-4842)

MINISTERIAL CONFERENCE
Fifth Session
Cancún, 10 - 14 September 2003

Original: Spanish

GUATEMALA

Statement by H.E. Ms Patricia Ramírez Ceberg
Minister of Economy

The multiethnic, multilingual and multicultural country of Guatemala greets Mexico, the host country of this major event, the Chairman of the Ministerial Conference, the Director-General of the WTO, the Chairman of the General Council, the Ministers and Ambassadors of WTO Members and all the men and women whose combined efforts have culminated here in this beautiful city on the Mexican coast.

Two sentences in the Preamble to the Doha Declaration are worthy of special mention. The first is "*International trade can play a major role in the promotion of economic development and the alleviation of poverty*", and the second, "*The majority of WTO Members are developing countries and we seek to place their needs and interests at the heart of the Work Programme adopted in this Declaration*".

These quotations embody the letter and spirit of the process which we have christened the Doha Development Agenda, the starting point of which, in November 2001, was marked by the Fourth WTO Ministerial Conference in Doha. The Doha Development Agenda raised the hopes of most people the world over, which, in turn, made the launching of a negotiating round feasible. Today, Guatemala calls for these promises to be fulfilled.

Guatemala's vision of the future of agriculture, which constitutes our most important economic activity and accounts for the greatest number of jobs and indeed the very livelihood of our poorest people, is one of an agricultural market free of distortions, where production is adjusted both to demand and to the comparative advantages of each individual country and region. Guatemala's tariff average, one of the lowest in all Latin America, testifies to our commitment to market liberalization. We call for the full elimination of all export subsidies, a substantial reduction in domestic support and the dismantling of the barriers which continue to restrict our market access. We hope that the most strenuous efforts to this end will be made by the countries responsible for the greatest distortions in agricultural trade. If such dismantling does not become a reality, some countries could be forced to employ new special safeguard mechanisms to protect their basic production sectors from unfair competition and safeguard the jobs and livelihood of the great majority of their population for whom the only alternative is death or emigration to developed countries.

As a Member of the Cairns Group, Guatemala hereby calls for consistency between the scope of agricultural reform and the level of ambition reflected in the Doha Ministerial Declaration. Likewise, as a member of the G21 - the Group of 21 developing countries of Africa, Asia and Latin America which counterbalanced the process by submitting an alternative proposal - Guatemala reaffirms its opposition to absurd protectionism and semantic balancing acts which seek to perpetuate subsidies and domestic support.

We also reiterate our exhortation to Members not to have recourse, other than on a scientific basis, to sanitary or phytosanitary barriers which constitute unnecessary barriers to agricultural trade.

Guatemala hopes that the negotiations on non-agricultural goods will come up with appropriate solutions to tariff escalation and peaks. We also advocate that the Sectoral Initiative be on a voluntary basis. Overall, we hope for more effective implementation of the principle of "less than full reciprocity".

Guatemala's level of development, geographical location and aptitude for trade openness mean that it has much to offer its trading partners in the field of services. The submission of our initial services offer served to reaffirm our commitment to the progressive liberalization of trade in services. We trust that our interest in the fourth mode of supply can be met by improved offers from developed countries, since this is a key element as regards financing our external imbalances and, in particular, upgrading our human capital.

Guatemala understands the aspiration to extend to other goods the protection currently granted to wines and spirits produced by far northern and far southern countries. However, were protection to be so extended, it would have to be in an extremely well thought out manner. To be avoided at all costs is the proliferation of appellations of origin the overall purpose of which is to obtain commercial advantages from inverse protection which hinder the exports of countries lacking the means to promote their own appellations of origin at international level. Moreover, we are concerned that situations could arise in which mandatory notification and registration systems have undesirable effects.

Guatemala is committed to protecting the environment and biological diversity. Nevertheless, we are opposed to their protection by means of new market access barriers which restrict developing country exports.

Although Guatemala has shown proof of flexibility in discussions on the Singapore issues, our priority is for this process to be concluded in a transparent manner. Numerous developing countries are unprepared for negotiations and have expressed a desire to continue with the clarification process. The requirement of "explicit consensus" prior to the launching of negotiations will force us to take the priorities of every single Member into consideration.

Trade-related concerns should not be allowed to overshadow the human dimension of multilateralism in our discussions. In this spirit, we welcome and approve the Decision on TRIPS and public health and strongly urge Members to analyse any proposal which could hinder flows of food aid extremely carefully.

We also welcome the Memorandum of Understanding signed two days ago by the WTO and UNIDO. Cooperation between these two Organizations will result in greater attention being paid to the problems facing developing countries with regard to technical assistance, capacity-building and supply constraints.

To conclude, Guatemala reiterates its commitment to and accountability towards the multilateral trading system. We will continue to play a constructive role therein, in the firm belief that trade openness is the path to our peoples' development. However, if we truly wish for this to prove a real Development Agenda, we will have to liberalize not only trade in industrial products, services (including the fourth mode of supply), investment and government procurement, but also and above all, in goods for which developing countries are particularly competitive, namely agricultural products.

Developed countries need to be very clear on one point: if trade is important, social peace is even more so. Social peace is based on the concept of *suum cuique tribuere* and the only way to give the majority of the world's population a chance is to recognize that it is essential that trade development and progress go hand in hand with improved living standards and the creation of decent jobs in developing countries. Otherwise, we will come to witness increasing numbers of illegal migration movements, a rise in child labour and the forced prostitution of women for whom there is no other option, since subsidies, notably agricultural subsidies, erode the life and livelihood opportunities of the great majority of people on our planet.
