

WORLD TRADE ORGANIZATION

WT/MIN(01)/ST/31
10 November 2001

(01-5608)

MINISTERIAL CONFERENCE
Fourth Session
Doha, 9 - 13 November 2001

Original: Spanish

COSTA RICA

Statement by H.E. Mr. Tomás Dueñas
Minister of Foreign Trade

Costa Rica is attending this Ministerial Conference to give its unwavering support to the strengthening of the multilateral trading system. We firmly believe that the objectives we are working towards here make a decisive contribution to the economic growth of all Members.

Trade liberalization is essential to any country's development and, for this reason, will continue to occur, with or without the WTO. The decision as to whether this happens within or outside the framework of WTO rules will fall to the governments present at this Conference. We believe that launching a new round of WTO multilateral trade negotiations is the best way to ensure that the liberalization process goes ahead in accordance with rules which enable all Members to participate on equal terms and enjoy its benefits.

Costa Rica acceded to the GATT over ten years ago and played an active role in the Uruguay Round negotiations. The trade openness achieved as a result of these processes and bilateral agreements as well as autonomously has enabled it to secure very important benefits. Over the last decade, Costa Rican exports have averaged 14.4 per cent annual growth, which has contributed significantly to the country's economic growth and development.

Over the next five days, our governments will have to decide whether to give fresh impetus to economic development or whether the lack of consensus on some issues will hold up the launching of a new round and thus hamper that objective. We cannot afford to let this opportunity pass us by. I say this in the firm belief that the developing countries would clearly be the ones to lose out if we fail to agree on the launching of a comprehensive round of negotiations. Maintaining world trade conditions at their current levels would, in all likelihood, only ensure that developing countries remain as such.

The preparations for this Conference were fraught with difficulties. However, many of the differences which persisted right up to the end of the Seattle Conference and which led to the lack of consensus on that occasion have since been overcome. The Chairman of the General Council, Mr Stuart Harbinson, and the Director-General have facilitated negotiations which bridged existing gaps and brought positions closer together. So much so that I believe we, the Ministers, can not this time shy away from the historic responsibility that now falls to us on the pretext that our differing stances upon arrival at the Conference preclude an understanding. We are only a few steps away from reaching agreements in the various areas and my Government has come to Doha with a constructive outlook that can contribute to this.

The draft text circulated in Geneva on 27 October reflects many months of work and contains balanced results. It should therefore form the basis of our discussions.

Costa Rica supports the objectives set out in this text and, in particular, its determination to press on with the process of reform and liberalization of trade policies in order to guarantee that the system fully plays its role in the task of contributing to recovery, growth and development.

We support the mandate, mentioned therein, to launch trade facilitation negotiations, since we are of the opinion that this would significantly help to step up the participation of developing countries in international trade through small- and medium-sized enterprises.

We are also satisfied with the mandate to hold negotiations on WTO rules, aimed at clarifying and improving the anti-dumping and subsidy disciplines. Similarly, we have conducted a detailed review of the paragraphs on trade and the environment and consider them acceptable, except for the fact that the door to negotiations is no more than half-open.

Costa Rica backs the proposal to hold negotiations on improvements and clarifications of the Dispute Settlement Understanding, for which it has submitted several proposals that we consider contribute to these objectives. The Dispute Settlement Understanding should be reinforced to ensure that it continues to be the main guarantee that the interests of all countries are protected.

With regard to electronic commerce, it is gratifying to support the proposed work programme and we trust that an appropriate body will be created within the WTO to carry it out. The creation and maintenance of an environment favourable to the development of electronic commerce must constitute a core element of the work agenda and we therefore support the practice of not imposing customs duties on electronic transmissions.

Again, Costa Rica recognizes the importance attributed by the draft declaration to the needs of developing countries and supports the ideas on the trade of small economies, the need for an examination of the relationship between trade, debt and finance, trade and the transfer of technology, as well as undertakings with regard to technical cooperation and capacity building.

Our Government is, however, of the opinion that some parts of the proposal must, of necessity, be thoroughly revised. With regard to agriculture, Costa Rica considers that the text should establish a working framework which would enable us, at long last, to wind up the process of fundamental reform of this sector and allow developing countries to enjoy the benefits of trade liberalization.

Agriculture unquestionably plays a key role in Costa Rica, since almost 11 per cent of its gross domestic product, nearly 30 per cent of its exports and hundreds of thousands of jobs depend directly or indirectly on this activity. Despite the fact that the "long-term objective" of reforming the agricultural sector has been discussed in this organization for more than 13 years, the truth of the matter is that much remains to be done to eliminate the discrimination experienced by this sector.

Costa Rica is particularly concerned that a small number of developed countries persist in maintaining protectionist policies which distort international trade and depress world prices of agricultural products. To date, these policies have eroded developing countries' ability to achieve sustained economic growth, promote development and fight poverty. Hence, like the Cairns Group, of which we are a member, we call for the abolition of export subsidies of all kinds on agricultural products and of all other policies which distort world agricultural markets. The President of Costa Rica, Mr Miguel Angel Rodriguez, has stated that the developed countries can play a leading role in solving development-related problems, but, at the same time, can be held accountable for the causes of underdevelopment given the harm caused by their agricultural subsidy policies.

As far as investment is concerned, ever since the Singapore Ministerial Conference in 1996, Costa Rica has stressed the need to open negotiations with a view to a WTO Multilateral Agreement on Investment. Five years have now elapsed since WTO Members launched a study programme,

which has proved useful and has increasingly helped us to understand the implications of an agreement of this kind and its invaluable contribution to development and the promotion of trade between all Members. We are all firmly persuaded of the close relationship between trade and investment and the role played by both in promoting development and improving the welfare of our peoples. We have waited patiently for fresh negotiations in this area and feel that a decision simply has to be taken in Doha.

Major advances have been made in narrowing Members' differences as regards a review process on the implementation of the WTO agreements. Costa Rica sees the proposed extension procedures under Article 27.4 of the Agreement on Subsidies and Countervailing Measures as a positive step. The text proposed by Ambassador Harbinson is the fruit of an arduous consultation process and reflects a balanced result.

Lastly, I should like to convey the gratitude of the Government of Costa Rica to His Highness Sheikh Hamad bin Khalifa al-Thani, the Emir of Qatar, to Minister Yussef Hussain Kamal, Chairman of the Ministerial Conference, and the people of Qatar for their hospitality and generosity in hosting this Conference. Similarly, I should like to express our gratitude to Mr Mike Moore, Director-General of the WTO, the Deputy Directors-General, the Secretariat and Mr Stuart Harbinson, Chairman of the General Council, for their tireless endeavours on the path to this Conference.
