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BRAZIL

Statement by H.E. Mr Celso Lafer
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Let me start by congratulating you on your election to a key position for the success of the task that lies ahead of us. I am confident that under your guidance we will be able to secure a positive outcome.

I should like to take this opportunity to convey the gratitude of the Brazilian Government to the Government and people of Qatar for their warm hospitality and for the efficient organization of this Conference.

In these opening remarks, I also wish to express my appreciation for the tireless efforts and for the leadership of the Chairman of the General Council, Stuart Harbinson, and of Director-General Mike Moore. Thanks to both of them we arrive at this Conference with a modicum of optimism.

Under normal circumstances, multilateralism is our best hope of ensuring that globalization actually promotes the common good. In trying times such as these, it becomes our only hope of upholding the rule of law, of promoting cooperation and the orderly functioning of international markets. The current global economic downturn, aggravated by the events and the aftermath of September 11th, engendered a general feeling of insecurity, vulnerability and uncertainty about the future, and may well fuel protectionist tendencies. We must not allow such tendencies to prosper. We must not allow the impairment of the regulatory framework established over more than five decades of multilateral trade negotiations.

This is why we strongly favour the launching of a comprehensive agenda of trade negotiations. It is urgent that we give trade a new, concerted and balanced impetus. It is imperative that we inject renewed strength in the WTO.

The greatest assets of the WTO are its rules. To enhance the credibility, the acceptance and the observance of those rules is thus of the utmost importance. In this context, and in order to strengthen the multilateral trading system, we need, first and foremost, to ensure the proper implementation of the Uruguay Round Agreements.

There are issues that can and should be settled without delay, whereas others may indeed require further examination. Under no circumstances, however, must we lose sight of the goal of correcting the flaws in the implementation process which have the potential to undermine confidence in the system.

At the same time, we must advance together towards further trade liberalization. We need a balanced agenda. We must establish an ambitious, yet realistic, work programme.

In the interests of balance and fairness, we must address the outstanding issues that have eluded the general trend towards trade liberalization. Agriculture, of course, is the most glaring example of current imbalances and shortcomings. We are faced with an agricultural backlog in the WTO. The period established in the Uruguay Round for agricultural reform expired almost a year ago. Yet nothing changed or, if something changed at all, it was probably for the worst.

The current levels of subsidies and protection can no longer be tolerated. The new mandate for agriculture that we establish here must clearly aim at the elimination of distorting trade practices. The coherence and consistency of the multilateral trading system and, ultimately, the moral authority of the WTO itself are at stake. The WTO will neither move forward nor strengthen its authority until it proves that it is capable of clearing its agricultural backlog.

There is no dearth of tasks to address in the industrial sector either. The marked reductions in average tariff levels over time offer no consolation to those on the wrong side of those averages. The disproportionate burden faced by developing countries in the form of tariff peaks and tariff escalation in developed country markets must be on the top priority list in any tariff negotiations.

Protectionism also thrives on the opportunities afforded by loopholes in the multilateral agreements. Brazil supports the revision of the Anti-Dumping Agreement, with a view to curbing its abusive utilization for the protection of inefficient sectors in developed as well as in developing countries.

Our approach with regard to anti-dumping mirrors our attitude towards non-tariff barriers in general. We do not question, nor wish to impair the rights of Members to combat unfair trade practices. But legitimate concerns, as are also those related to measures to protect health, the environment or national security, cannot be allowed to serve as pretexts for the imposition of disguised, discriminatory or arbitrary restrictions on trade.

In the area of intellectual property, different readings of the TRIPS Agreement have given rise to tensions. To a certain extent, it is natural that conflicts of interest should reflect themselves in divergent interpretations of common rules. But the commercial exploitation of knowledge must not be valued more highly than human life. There are circumstances in which the conflict of interests will require that the State exercise its supreme political responsibility. In these cases, it must be very clear where the priority lies. That is why we have been insisting, along with a broad coalition of like-minded countries, on the need to set out an authoritative statement on the TRIPS Agreement capable of clarifying its scope as far as public health is concerned.

Brazil promotes and upholds intellectual property rights. Our legislation is one of the most advanced in the world. However, if circumstances so require it, Brazil, like many other countries, will not hesitate to make full use of the flexibility afforded by the TRIPS Agreement to legitimately safeguard the health of its citizens.

I think we must all agree that the asymmetries in the world trading system must be acknowledged and corrected as soon as possible. If we fail, we will offer a vulnerable flank to those who wish to discredit the WTO.

Developing countries have always attached great weight to the principle of special and differential treatment. Yet, after more than five decades, there is not much to show for it. On the contrary, if we look at the sectors that were left behind in the process of liberalization, or even at many specific rules in the WTO Agreements, it is easy to perceive that there is a large measure of special and differential treatment in favour of the developed countries. Such is the case, for instance, of the Agreement on Subsidies and Countervailing Duties which grants a special exemption to members of the OECD Consensus with regard to rules on export subsidies that other Members of the WTO must comply with.

If we are to have any hope of establishing meaningful special and differential treatment for developing countries, we must bring to an end all exceptions in favour of developed countries. With this objective in mind, Brazil circulated a proposal on export credits. We acknowledge the need to further study this question. We are confident that as part of the programme of action to be launched we will find a way to ensure that the issue of export credits will be duly considered.

Brazil wishes to see the multilateral trading system strengthened. I am convinced that it is possible to move in that direction. There are clear signs that the political will is there. Foremost among these is the massive presence of Ministers in Doha, an expression, if not of confidence, certainly of hope in the WTO and in the relevance of its work. Even more encouraging is the movement towards universal membership in the Organization, now reinforced by the accession of China, one of the most dynamic players in international trade.

There is a renewed expectation that we can do more, and that we can do better. A conscious effort is being made to overcome the frustrations of the recent past and to improve the system. We cannot afford to miss this opportunity. The need to ensure the full participation in the global trading system of many of the countries here represented is an additional reason to persevere.

Brazil is prepared to work hard, so that by the end of this 4th Conference, we may be able to convey to the world our unequivocal commitment to freer trade, to economic growth, to development and to the welfare of humankind.
