

# WORLD TRADE ORGANIZATION

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## UNITED STATES

Statement by H.E. Mr. Robert B. Zoellick  
United States Trade Representative

I want to begin by thanking the Government of Qatar for sponsoring this meeting. Under difficult circumstances, you have provided excellent arrangements for trading nations from all corners of the globe, diverse peoples drawn together by their common interest in economic growth, development, and peaceful exchange. As befits your country and your traditions, the people of Qatar are wonderful hosts – and I thank them, too.

I would also like to express my appreciation for all of the labours of the WTO Secretariat, particularly its Director-General, Mike Moore, and the Chair of the General Council, Stuart Harbinson. You have been patient, indefatigable, and, in my opinion, most effective.

And I would to thank my fellow Ministers. In my nine months in office, you have both helped and inspired me. Your heartfelt support in the aftermath of 11 September has touched me deeply. It is an honour to serve with all of you.

This meeting comes at a critical time. I believe an agenda for new global trade negotiations is within our collective grasp. If we work together, this can be done. This should be done.

Permit me to make five brief observations about our work.

First, all of us know that the international economy is struggling. This year, we expect that US trade in goods and services – which rose 15 per cent last year – will actually fall for the first time since 1982. Global trade will be nearly flat. The September acts of terror have increased uncertainties and risk. Yet with victims from over 80 countries, these acts have also brought us together.

The world needs signs of hope – the hope of economic opportunity and the hope of political purpose shared by almost 150 nations. Therefore, it is particularly important that the message from Doha be that our nations are committed to opening markets, not to closing them. The launch of new global trade negotiations is important for financial market confidence and economic recovery in the short run, and also for economic growth and vitality over time.

It is a fine portent, then, that 14 nations have joined the WTO since its creation and that over the next days we will welcome the accession of the People's Republic of China and Taiwan after a 15-year journey. Both are already major influences on world trade. Their participation in the WTO will be a boost for them and us. So I congratulate their delegations for their hard work, which is now crowned by success.

Second, a new WTO agenda for growth, development, and prosperity through trade liberalization needs to help strengthen the beneficial connection between developing countries and the international economy.

Developing countries already account for more than one third of the merchandise trade. Further liberalization of agriculture would provide a huge boost. And trade among developing nations offers untapped opportunities. The potential is enormous. Just last week, the World Bank explained that the elimination of trade barriers would lift 300 million people out of poverty.

My country recognizes the critical need to combine trade liberalization in the WTO with national trade preference programmes – such as our African Growth and Opportunity Act, the Andean Trade Preference Act, the Caribbean Basin Initiative, and the Generalized System of Preferences. There is also a need for special and differential treatment for developing countries and improved efforts to assist trade capacity-building. Over the past year, the United States provided more than \$555 million in trade capacity assistance. Now we must make this assistance work better.

Third, I know that many developing nations have expressed frustration with the implementation of the Uruguay Round. The United States has worked with other developed nations to address legitimate concerns. We can agree to a sizeable list of implementation items as we launch the negotiating agenda. And we are willing to work with others on the remaining concerns.

The trade liberalization ushered in by the Uruguay Round highlights the potential of more trade for developing nations. In the six years following the completion of the Uruguay Round, exports from developing nations grew by nearly \$1 trillion, to an impressive total of \$2.4 trillion. Developing country exports of textiles and apparel to the United States have grown 72 per cent since 1994, reaching a volume of \$42 billion in 2000. Developing country agricultural exports to the United States have risen to over \$12.3 billion.

Fourth, I believe the text produced by Stuart Harbinson has skilfully cleared away many impediments to our progress.

The principal interest of the United States is to open markets for agriculture, industrial goods and services. Our agenda is similar to that of most developing countries. Nevertheless, we recognize that others are seeking a broader agenda. We are committed to work cooperatively with all countries – developed and developing – to see if we can address these issues. The Chair's text has handled differences artfully. With the help of others, we will look for creative solutions to the remaining differences.

As you know, we are dissatisfied by the text on WTO rules. I have listened carefully to other countries' concerns. Here is my perspective: the authors of the GATT and WTO systems designed the rules to ensure that members could not undercut tariff concessions or reductions in non-tariff barriers by other means. The rules on anti-dumping and countervailing duties serve that purpose. Given the relative openness of the US market, support for further trade liberalization depends on our ability to ensure that a bargain on market access is not undercut by foreign subsidies or other trade-distorting practices. Therefore, it is essential that any possible work in this area discipline the unfair trade practices themselves, not just the rules for countering them. Furthermore, any consideration of WTO rules must focus first on improving the practices of the rapidly increasing numbers of new users.

Fifth, we hope that this Ministerial will issue a strong separate declaration on access to medicines during public health crises while reaffirming the TRIPS Agreement.

My recent meeting with African Ministers in Washington helped me further understand your concerns. I recognize the human and societal devastation wreaked by HIV/AIDS, malaria,

tuberculosis, and other epidemics of communicable diseases. I appreciate that there has been much confusion and misinformation about the flexibilities in the TRIPS Agreement that give countries the freedom to get necessary drugs to help deal with health emergencies.

Therefore, we should clarify the TRIPS flexibilities – including the use of compulsory licences – to help countries address these tragedies. We might also want to relate our statement to the comprehensive, integrated work that involves education, prevention, care, training, and treatment. The UN – including the Global Fund – is leading this effort. The United States is proud that the over \$2 billion per year that we spend to counter and some day cure this scourge represents nearly 50 per cent of all international HIV/AIDS funds.

We also are proposing additional steps. We recommend granting the least-developed countries a 10-year extension, to 2016, to come into full compliance with pharmaceutical-related patent obligations under TRIPS. We propose a moratorium of at least five years on WTO challenges to the actions of other sub-Saharan African developing nations as they respond to HIV/AIDS, infections related to AIDS, and other health crises such as measles and tuberculosis.

We cannot agree with a declaration, however, that eviscerates the TRIPS rules through an exception for vague "public health objectives." This open-ended language would lead to mass erosion of patent protections – from pharmaceuticals to medical software – and thwart research into medicines that can save lives.

We will try our best to achieve a constructive, separate declaration in this area. And we must not lose sight of our crucial goal of launching an agenda for global trade negotiations.

Colleagues and friends: 54 years ago, on 30 October, representative of 23 nations assembled in Geneva to sign what would become an historic agreement: the Geneva Agreement on Tariffs and Trade. It was clear to those individuals meeting in Geneva in the dangerous autumn of 1947 that trade was inextricably linked to recovery, development, and even their security.

Those leaders – and their successors – did their work well. As the UNDP has reported, the world has achieved a greater reduction in poverty over the past 50 years than occurred over the previous 500 – in large part because trade increased seventeen-fold.

So now we are gathered here – in a different era, with different challenges – to advance an agenda of exceptional importance, at an exceptional time. The very fact of this meeting – now with nearly 150 nations present – underscores how much progress has been made over the past half century. We stand for learning to manage our differences through rules, so that we can debate and create, not terrorise and paralyse.

Trade is about more than economic efficiency, it reflects and encourages a systems of values: openness, peaceful exchange, opportunity, inclusiveness and integration, mutual gains through interchange, freedom of choice, appreciation of differences, governance through agreed rules, and a hope for betterment for all peoples and lands.

This is the best – perhaps the only – opportunity we will have in the next decade to advance global trade liberalization and strengthen the viability of the rules-based multilateral trading system.

I pledge to work with all of you to try to solve problems while we are here in Doha. And in the spirit of non-discrimination that is embedded in the heart of the WTO, I hope we can all approach the next few days with open minds and a willingness to help each other work through our different needs. In doing so, we might be assisted if we keep in mind that our mandate is to launch negotiations, not to complete them.

When our work is done here, I hope that we – like our predecessors, 54 years ago – will be able to return to our respective capitals knowing that we have contributed to an agenda that will be the starting point for greater development, growth, opportunity, and openness throughout the world.

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