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CYPRUS

Statement by H.E. Mr. Nicos Rolandis Minister of Commerce, Industry and Tourism

I am particularly happy to represent the Republic of Cyprus at this Ministerial Conference and to express my highest appreciation to the Director-General of the WTO and his staff, to the Chairman of the General Council, to the US Government and especially to the City of Seattle for their efforts and hard work for the organization of this conference.

Trade has been over the centuries a tool of prosperity and at the same time a cause of conflict. It has divided world societies into haves and have-nots. It has brought about both war and peace. Today we are gathered here to make sure that the events which we have witnessed in the City of Seattle yesterday will not be repeated and that through our prudent and balanced deliberations we shall lead the world to a just and lasting, rules-based economic order in the future.

Although extensive progress on freeing world trade has been made over the years, the task of maintaining the commitment to the multilateral system and to global liberalization, remains as great as ever. Five years after the Uruguay Round Agreements, world trade has increased considerably and trade liberalization has contributed massively to the overall world economic growth.

Cyprus, through her own experience, has demonstrated the benefits, the challenges, and the hazards of advancing trade liberalization. Our liberal trade regime, underpinned by harmonization with the "acquis communautaire" and our policy of moving closer to the single European Market, has optimized in certain areas the benefits and has created new opportunities and welfare gains. Problems created in other areas remain under close scrutiny.

The forthcoming negotiations should be guided by a spirit of social justice. There should be a single undertaking, while the results should be adopted in their entirety and apply to all WTO Members. We support a comprehensive approach to the New Millennium Round. Furthermore, the results of the negotiations must be as positive as possible for all WTO Members, large or small, developed or developing. There should be no princes and beggars in the new world economic order.

Our priorities, as the negotiations progress, should focus, amongst other subjects, on the following important issues:

We should aim at improving market access for goods through practical and operational measures and the removal of barriers, customs procedures and other rules governing trade.

In the area of agriculture, Cyprus fully supports the continuation of the reform process as mandated by Article 20. Without losing sight of the long-term objective of fundamental reform, we should concentrate in this Round on tangible progressive reductions in support and protection as well

as improvements in the rules and disciplines. Based on the experience to date from implementing the Agreement, Cyprus strongly supports the principle that special and differential treatment for developing countries be expanded considerably and that flexibility be provided to enable these countries to address concerns such as food security, rural development and poverty alleviation.

My country also supports that due consideration be given to non-trade concerns, especially those related to food safety and the rural environment. We simply cannot afford to have rural regions threatened by desertification without interfering, possibly in a non-trade distorting manner, to promote sustainable development and to keep the countryside alive.

Cyprus is committed to further liberalize, progressively, the services sector on the basis of the GATS Agreement. Services are expected to be the centre point of the new globalized economy. In the case of Cyprus, they cover a very wide spectrum which includes, apart from tourism - which constitutes the powerhouse of our economy - banking, finance, insurance, shipping, legal, accounts, medical and educational services.

With regard to competition and investment, we support the development of core principles and rules on competition law and policy, and uniform multilateral rules on investment protection. Such rules would provide transparency, predictability, stability and non-discrimination, and would further stimulate flows of investment and development.

As far as the environment is concerned, we must aim at reconciling, in a balanced way, trade competitiveness and environmental protection and at ensuring that WTO policies be compatible with maintaining the environment. As trade and environment have to be mutually supportive, the legitimate pursuit of free trade should pay due respect to the common environmental concerns of all partners.

Before concluding, I would indicate that while a great number of Member States are gathered in Seattle, some major trading countries are still waiting to join the WTO. We welcome the Agreement of the US and China and trust that the ongoing negotiations with other prospective Members such as Russia will have positive results. No comprehensive globalization will be possible as long as major trade players are left behind.

We look forward to an era of international cooperation based on justice and also on well-balanced rules, which will promote a globalized world economy and social justice for the stability and prosperity of all countries and for peace in the world.
