

# WORLD TRADE ORGANIZATION

WT/MIN(03)/ST/147  
13 September 2003

(03-4922)

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MINISTERIAL CONFERENCE  
Fifth Session  
Cancún, 10 - 14 September 2003

Original: English

## HOLY SEE

Statement by Monsignor Franck Dewane  
Under-Secretary of the pontifical Council for Justice and Peace  
*(Speaking as an Observer)*

The delegation of the Holy See wishes to begin by expressing thanks and congratulations to President Vicente Fox and to the people of Mexico for the warm welcome and excellent arrangements that have been made for us on this occasion. My delegation extends its appreciation also to the Chairman of the General Committee and the Director-General for their tireless efforts in preparation for the Conference.

This Fifth Ministerial Conference of the WTO represents a time of hope. But for this hope to be realized, all here present must remain faithful to the promises and commitments made to the poor in Doha. There has been unsatisfactory progress in the areas of trade for the poorest countries. Bold and decisive action is needed that will have positive implications for development. As stated by His Holiness Pope John Paul II, "Promises made to the poor should be considered particularly binding" and any breach of faith in this regard is "especially frustrating for them" when it pertains to "promises which they see as vital to their well-being".

The participation of the Holy See as an Observer in the World Trade Organization springs from its characteristic and constant concern for humanity. It takes a profound interest in and acts on all issues that affect the dignity of the human person and participates in numerous areas of policy development, including that of trade, focusing on the development of the person, peoples and society. Further, the presence of the Holy See at this Fifth Ministerial Conference demonstrates the importance it attributes to the activity of the WTO, to this mid-term review process and to the issue of trade.

Trade should benefit people and not just markets and economies. Trade rules, therefore, notwithstanding their technical aspects, have a political and social nature, with deep and lasting consequences in the life of humanity. It is those often found in smaller economies who are most in need of an equitable, rules-based system of trade in which all can participate and benefit on the basis of the highest achievable equality of opportunity. But, no set of rules is fair by itself. They must conform to the demands of social justice while enabling and fostering human development.

The recent decision on the implementation of paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health is a positive step in carrying out the Doha commitments. The delegation of the Holy See compliments all parties that took part in arriving at this crucial and important agreement. In this context as well as for other issues, the Holy See wishes to note that the protection of private property, including intellectual property, is important and must be respected. At the same time all property has a social mortgage. The intellectual property rights system must exist not only to protect creative and innovative impetus but also and primarily to serve the common good of the human family. As a universal common good, intellectual property demands that control mechanisms should accompany the logic of the market.

Recent developments as regards the Agreement on Agriculture have given this process new life. However, further impetus is needed. Agriculture products that are staple foods and on which low-income and poor farmers are dependent should be given special consideration in the context of tariff reductions. These reductions in poor countries, along with the effects of export subsidies and domestic supports in and dumping from developed countries, are particularly harmful for small farmers. Still, any temptation by developing countries toward a crude protectionist path should be avoided. A balancing mechanism is needed that will allow for an increase in small farmer production and productivity as well as for the growth of employment in rural areas. The issues of food security, basic standard of living and rural development are legitimate concerns in agricultural negotiations. Special safeguard mechanisms for poor countries must be developed allowing for temporary action when small farmers are threatened.

With regard to trade in services, it has to be considered that the defence and preservation of certain common goods such as the natural and human environments, cannot be safeguarded simply by market forces since they touch on fundamental human needs which escape market logic. Water, education and health, among others, have been traditionally a State responsibility and viewed as public goods. More efficient services can include involvement of the private sector, but set within a clear legislative framework with the goal of serving the public interest.

Regarding market access for non-agricultural products, the crux of the matter falls on the issues of tariff peaks, tariff escalation and non-tariff barriers, especially for products in which poor countries could be competitive (labour intensive products). Since non-tariff barriers pose a serious threat to further liberalization of trade in industrial goods, clarity as to the scope and treatment of non-tariff barriers must be articulated with due consideration for weaker economies. In some poor countries industrial development in, for example, textiles and clothing is one of the most important tools in combating poverty and fostering development.

In closing, the Holy See Delegation wishes to associate itself with those who support consideration for the particular needs of the African continent to experience the development that trade can provide. Africa today remains a continent at risk, fragile in terms of trade relations and the corresponding benefits. If the Doha Development Agenda is to be faithful to its mission, WTO must be solicitous about the needs of African countries. Hence, the Holy See endorses the initiative in favour of cotton by a group of African countries.

In the context of a "family of nations" those countries economically more developed can and should provide assistance that will allow for attainment of the development which corresponds to the shared human dignity of all human beings. Precisely because people have been endowed with the same extraordinary dignity, no one should be reduced to living without the benefits of trade.

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