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It is a great honour for me to be here today and to have the opportunity to speak to such an august gathering. At this half-way mark on way to completion of the Doha Agenda, this Conference will serve us a good purpose if we are able to critically examine whether our work so far is on target and if not, how to bring it back on track.

It is obvious that there is a stalemate and because of this situation, we are already seeing serious cracks appearing in the multilateral trading system. As a result, bilateral and regional trading arrangements (RTAs) are proliferating. At the same time a large number of countries, particularly low income developing countries, are being left out and are getting marginalized. We have to get the multilateral trading system working to ensure that the trading system works for all. If we want to achieve the Millennium Development Goals, we have to translate rhetoric into reality and recommit ourselves towards the Development Agenda we agreed at Doha.

At this half-way stage, the only notable achievement relates to TRIPS and Public Health. Indeed, this was a historic and significant accord. Apart from this, the results so far do not seem to be very promising either in terms of ambition or development goals. We have missed all the deadlines and there seems to be a deadlock in several areas of developmental value to the developing countries. No modalities of negotiations have been agreed in market access areas such as agriculture or industrial goods. We only have draft frameworks, which give no idea as to what could eventually be achieved.

For example, if we take agriculture, an agreement on timetable and agenda for setting up of modalities for negotiations was to be agreed on by the end of March 2003. Six months after the deadline what we have is a disputed framework agreement which is quite low on ambition. There are hardly any significant commitments on reduction of trade distorting domestic support, elimination of export subsidies or any meaningful market access. This impasse is having serious repercussions on all other areas of our negotiations.

For industrial goods, the problem is less complicated. Developed countries have low tariffs except on goods of export interest to low income developing countries. It was expected that they would be able to agree on modalities, which reduce their tariffs on such products while allowing some protective tariffs to developing countries for their emerging industries. Unfortunately major players could not agree to it as they are not willing to agree on any differential treatment for developing countries. Therefore, here again we are no better off having missed the deadlines and being behind schedule by at least six months. If we are not to lose more time, we need to give political guidance which combines ambition with development.

We are making rather slow progress in negotiations for liberalization of services. We should be mindful of the fact that potential gains from successful liberalization of trade in services are huge – far more than those from comparable liberalization of goods. If we believe in development and creation of opportunities for more people to work, we should be more liberal in allowing movement of natural persons.

Real market access will remain the engine for development. We should also not forget the pronounced emphasis in the Doha Declaration on Implementation issues, Special and Differential Treatment for developing countries and building of capacities to supply. Other issues of interest to developing countries such as Trade, Debt and Finance and the Transfer of Technology are also important and need more focused attention.

Another area of concern is the increasing use of non-tariff barriers and misuse of trade defences such as anti-dumping and safeguard actions. There is a serious need to address the non-tariff barriers and to ensure that trade remedy laws are not used for protection purposes.

On Singapore issues, the Membership rightly believes that they are already working on a heavy agenda and their capacity to properly work on creation of new rules and their implementation is limited. We need to be creative and flexible. The question of expanding the WTO to include new areas under its rubric needs to be approached in a careful and calibrated manner while taking into account the sensitivities and reservations of the developing countries.

Let us hope that the Cancun meeting is a watershed for a turnaround of negotiations. We all need timely completion of this Development Round, which should meet the ambition and the goals we had set ourselves. There are gains for every one of us. This is the only way that we can add \$400 to \$500 billion to global income and boost the income of developing countries by \$150 billion a year in an otherwise gloomy economic environment. According to a World Bank Report, this translates into lifting 144 million people out of poverty. If we fail, all responsibility for this loss will rest on us for keeping millions of people poor for many years to come. Let us not fail and show some flexibility so that the unique opportunity offered to us through the Doha Development Agenda is seized now.
