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Statement by H.E. Ms Lotta Fogde
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The WTO Agreements of today reflect the ambitions and aspirations of former generations of trade ministers and governments: before the UN Millennium Goals were formulated, before Kofi Annan started the UN Global Compact, before the failure of Seattle. The key purpose for the Doha Development Agenda must be to close the gap between the trading system of yesterday and the trading system of tomorrow. A modern trading system must more effectively address the needs of peoples and countries in all parts of the world, and have coherence as a guiding light.

At this Meeting, that means we have to agree to reform the rules for trade in agriculture. As it is, they are detrimental to development. Let me make just one point in this hotly debated area. Export support for industrial production has been outlawed for over forty years. It must also be phased out in agriculture. We should have stopped treating agricultural trade separately from all other sectors a long time ago. Change is long overdue. The proposal on cotton, tabled by four of the poorest countries in the world, demands nothing more than that we treat cotton in accordance with the basic principles and rules of the multilateral trading system. We cannot deny them this fundamental right.

Also, it is time to assert that preferences - be it for agricultural or industrial products - are a complement, not a substitute, to increased openness on a broad multilateral basis. Trade preferences can be important as a means to expand the export opportunities of poor countries. But some claim that we need to keep existing preference margins. I strongly disagree. We need full integration of developing countries in the global economy - not the integration of these countries in the EU or US economies.

On industrial goods, the track record of the existing trading system is more encouraging. Low average tariffs in many countries have spurred an impressive expansion of global trade and growth, not least to the benefit of developing countries. The time has come for other countries to follow suit. That would unleash the vast potential for South-South trade. We also need to make the overall simplification of trade the core of the agenda on market access. Simplification means eliminating nuisance duties and tariff escalation, and reducing non-tariff barriers. On top of that, we need an agreement on trade facilitation in the WTO. Today, too many resources are wasted on outdated, complicated and nontransparent procedures at the border. There are no losers from an agreement on trade facilitation, nobody is asked to make concessions. There are only winners - consumers, producers and governments in developed and developing countries alike.

Here in Cancún, we have the chance of our generation to lay the ground for the trading system of decades to come. We must create modern and robust rules that reflect the values of our citizens. The slow progress, or even backtracking, of the Doha Development Agenda on issues such as environment won't do in the future.

In the UN and elsewhere, we have already agreed on a comprehensive agenda to promote sustainable development and to halve the number of people that live in poverty. At Doha, we obliged ourselves to make the WTO coherent with these ambitions as regards the environment. Regrettably, on the social dimension of sustainable development no similar commitments could be reached. What is worse, however - so far no tangible results have been achieved even on the minimalist environmental agenda. Here in Cancún, we should solve the relatively simple issue of granting observer status for secretariats of multilateral environmental agreements. Then we should go on to make sure environmental goods and services can be traded freely and that WTO rules cannot, and should not, overrule environmental conventions.

The way we conduct our business at WTO meetings is important. I would like to thank the Chairman of this Ministerial Meeting, Foreign Minister Derbez, for his efforts to actively involve all WTO Members in our deliberations. More concrete steps need to be taken to further improve the participation of all Members in the WTO decision-making process. This should be matched by a general modernization of WTO working methods, where participation and transparency are key. This will also ensure that the WTO becomes more responsive to the changing demands of all Members in the future.

Finally, the quest for compromise should not detract us from facing the challenges of today and of coming generations. We need to show flexibility and seek common ground, without lowering our ambitions in this round of negotiations. WTO Member States must realize that this is a unique opportunity to create the open, fair and legitimate trade rules that we need in the future.
