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International Textiles and Clothing Bureau

On the occasion of 50th anniversary of the multilateral trading system and the second Ministerial Conference of the World Trade Organization, the following statement is issued by the Ministers of Argentina; Bangladesh; Brazil; China; Colombia; Costa Rica; Egypt; El Salvador; Honduras; Hong Kong, China; India; Indonesia; Jamaica; Korea; Macau; Maldives; Mexico; Pakistan; Paraguay; Peru; Sri Lanka; Thailand and Uruguay.

We acknowledge the vital role of the multilateral trading system in promoting international trade and economic development since its inception 50 years ago, and recall that it owed as much to the enduring power of its basic principle of non-discrimination as to the substantial reductions in tariffs achieved under its auspices.

We note however that the conduct of trade relations in textiles has represented a sharp contrast. It has been characterised by discriminatory treatment of developing countries during virtually the entire existence of the multilateral system. Developed countries' tariff protection in the sector has remained markedly higher than their industrial tariffs in general. The GATT-inconsistent system caused enormous costs for consumers in these countries. Developing countries have been prevented from deriving full benefit of their comparative advantage, and have had to make substantial concessions in the Uruguay Round to seek the application of normal multilateral rules and disciplines to trade in the sector.

We are disappointed and concerned about the manner in which the major developed importing countries have been implementing the Agreement on Textiles and Clothing. While only a few quantitative restrictions have been eliminated, new barriers including repetitive anti-dumping actions and other customs and administrative formalities have increased developed countries' restrictions against imports from developing countries. Increases in access possibilities for small suppliers and least-developed countries provided for in the Agreement have not materialised.

We call upon the ATC restraining countries to avoid protectionism in the sector. We urge them to demonstrate their leadership and commitment to trade liberalization and non-discriminatory treatment by prompt adoption of positive measures that ensure meaningful market access for products of interest of developing countries.

In view of the importance of textiles and clothing for the export earnings of many developing countries, we are resolved to ensuring proper implementation of the Agreement on Textiles and Clothing and to resist any attempts for recourse to new methods of protectionism.

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