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MACAU

Statement Circulated by Mr. Vitor Rodrigues Pessoa,
Secretary for Economic Coordination

As the multilateral trading system celebrates the fiftieth anniversary of its creation, we wish to emphasize its importance and contribution to world economic development by promoting, in an effective manner, the liberalization and expansion of trade while simultaneously creating a regulatory framework for international trade relations.

Macau looks forward optimistically to this system being consolidated and strengthened, and also to the positive role the liberalization of trade can play within the framework of rules of the World Trade Organization.

By signing the Marrakesh Agreements in 1994, Macau reiterated its full support for the founding principles of the multilateral trading system. In keeping with its resources, Macau has followed the work and participated in the on-going negotiations within the various bodies of the World Trade Organization.

In this context it submitted a proposal in the 1997 negotiations on trade in financial services which reflected the high degree of liberalization in its financial market, and also the importance the Government pays to greater transparency in financial services. Macau hopes that the effective implementation of the Financial Services Agreement will contribute to financial stability and the smooth running of the world economy.

By subscribing to the Information Technology Agreement, Macau sought to give its support to the liberalization of a sector that is nowadays increasingly significant to the world economy. The Macau Administration is following closely the works under way, aimed at broadening the list of products covered by the provisions of the Information Technology Agreement.

The Government regards the correct application of the TRIPS Agreement as vital to the efficiency of the multilateral trading system and it recently adopted new legislative and enforcement measures so as to ensure the effective protection of intellectual property rights.

As far as concerns the Textiles and Clothing Agreement, a stage of liberalization began recently under the terms of the Marrakesh Agreement, integrating the textiles and clothing sectors progressively into the 1994 GATT rules. However, we would like to express our concern at the high degree of protection that still exists in importing countries and we believe that it is essential that the spirit of liberalization contained in the Agreement be fully respected.

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The opening up of the textiles and clothing market should be gradual and significant, so as to allow progressive adjustments and prevent the impact of opening up importing markets being felt only in other stages as this would disrupt both these markets and those in exporting countries.

We would also call on importing countries to adopt positive measures to remove discriminatory treatment in this sector, and to avoid falling back on new forms of protectionism in the form of anti-dumping acts, or customs and administrative formalities.

The success of the multilateral trading system over recent years can be explained by the undeniable soundness of the principles of legal regulation, non-discrimination and decision-making by consensus on which it is based. Nevertheless, in order for those principles to be applied with equity, we must bear in mind that there is a significant degree of heterogeneity in terms of economic size and negotiating capacity amongst the members of this Organization, and also the unfavourable economic situation in the East Asian region where Macau is located.

At a time in which it is becoming essential that the expansion of this Organization cover major economies which still stand outside the multilateral trading system, and as small economies are still handling the impact of the commitments given in 1994, we believe that the full and effective implementation of the Uruguay Round Agreements should be regarded as a precondition for the essential steps towards launching a new round of negotiations on the liberalization of trade. Macau believes that consolidating the results of the Uruguay Round is still the main objective to be pursued at the moment, thus ensuring the primacy of the multilateral trading system, and the increasingly important role that this has played in promoting growth and development on a global scale.

We are increasingly seeing the growing interdependency and dynamism of the world economy, linked to the success of the Marrakesh Agreements and the strong and rapid growth of international trade. Confronted by the challenge of globalization of the world economy, an open multilateral trading system based on the rules of transparency has a fundamental role to play and it is important to ensure that developing countries can participate in the system on an effective, equitable basis.

We hope that this Ministerial Conference can allow a compromise to be reached between the necessary development of the multilateral trading system and safeguarding the specific conditions of developing countries, without which we risk seeing a worsening of the structural imbalances by which they are affected.
