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MAURITIUS

Statement Circulated by the Honourable Rajkeswur Purryag,
Deputy Prime Minister and Minister of Foreign Affairs
and International Trade

1. I wish to join the other delegations in thanking the Swiss authorities and the WTO Secretariat for hosting the Second WTO Ministerial Conference and, in particular, the events commemorating the 50th Anniversary of the GATT. Allow me also, to congratulate you on your assumption of Office and to assure you of my delegation's support in your, enviable yet delicate task.
2. This is the second time that we are gathered after our historic meeting in Marrakesh. In Singapore it would have been premature to make a reasonable assessment of the progress achieved since the conclusion of the Uruguay Round. We are now better placed to do so. Such progress needs to be gauged in the light of the core principles guiding the WTO process. Let us ask ourselves whether our target of "raising standards of living, ensuring full employment and a large and steadily growing volume of real income" has been attained. Whilst we acknowledge the role of the multilateral trading system over the past 50 years, we should ask ourselves whether the gains achieved have been spread in a fair and equitable manner.
3. We have committed ourselves fully to address the problem of marginalization of the least-developed countries and the risk which it represents for certain developing countries. We have also reaffirmed the importance of special and differential treatment for developing countries to enable them to integrate the multilateral system. Eighteen months later we note that these countries are still grappling with a lot of difficulties. Although some progress has been achieved in the launching of the Plan of Action for Least-Developed Countries, so far only very few trading partners have translated intentions into decisions. Furthermore, we have to express our concern on the absence of concrete measures meant to alleviate the negative impact of the agricultural reform programme on net-food importing developing countries. There is also an urgent need to address the problems faced by small, fragile and vulnerable economies.
4. Let me make it clear that my country is committed to its obligations *vis-à-vis* the WTO. We have already enacted the Copyrights Legislation. Our Trade and Patents Act is being revamped. A new Plants Legislation which will *inter alia* encompass provisions relating to the Sanitary and Phytosanitary (SPS) and the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreements is being finalized. Significant commitments in the fields of Basic Telecommunications and Financial Services have been made and it is our intention to adhere to the Information Technology Agreement. A study on the compatibility of Mauritian legislation and of its trade policy regime with the WTO provisions has also been commissioned.
5. However, the level of our resources has not allowed us to put in place, in a timely manner, the institutional and legal framework required for the implementation of all the WTO Agreements

including notification obligations. In this context, we support the proposal made by some countries that the General Council should request the Working Group on Notification Obligations and Procedures to examine how special and differential treatment could be extended to certain developing countries.

6. It is certainly not an easy task for a small climate dependent economy with limited resources to implement its WTO obligations or to take on new commitments. Whilst Mauritius has not shied away from its responsibilities in this regard, it is yet to see the tangible benefits of its full participation in the multilateral trading system. In consequence we remain firmly convinced that until such benefits are forthcoming we have no other alternative than to rely on our preferential access into major markets.

7. In 1996, we also agreed that urgent measures in favour of least-developed countries should be put in place. Moreover, some of us proposed that developing countries should be given time to adjust to the changes brought about by the Uruguay Round. Small and vulnerable economies characterized by over-dependence on a limited number of production activities need more time to adjust to merciless international competition. We should consequently focus our attention on the trade and development problems of such economies.

8. The objectives of full employment, improved standards of living, a large and steadily growing volume of real income and preservation of resources should guide the WTO in its action. It should be seen to promote the general good and not to take or prompt decisions that lead to marginalization or disruption of socio-economic fabrics. In this context, we view with concern the over legalistic approach that is being adopted in the ongoing work in WTO and in settling trade disputes. It would be necessary to ensure that when trade interests of small and vulnerable economies are at stake, considerations of equity and social justice are adequately taken into account and decisions are not based solely on a restrictive interpretation of the rules. The recent report on the European Union Banana Regime is a case in point.

9. The stringent subsidy disciplines of the WTO are imposing considerable restrictions on the ability of developing countries to pursue coherent development-oriented trade and industrial policies. Developing countries are being urged to abandon the use of subsidies that have contributed to the success of their export development strategies. The strict interpretation of some trade-related rules has the effect of holding back the momentum of these countries in their efforts towards modernization and diversification. Developing countries are being encouraged to integrate the global economy but they are being deprived of the means to move in this same direction. In that context, Mauritius fully supports the stand of SADC, OAU and the ACP that WTO rules on subsidies and countervailing measures should be reviewed in favour of certain developing countries, in order to allow them to utilize all instruments available to them for trade, industrial and agricultural development and promotion.

10. It is a matter of regret that the present Draft Ministerial Text does not make any specific reference to regionalism. Regional Trade Agreements compensate, to a large extent, certain constraints such as absence of economies of scale, arising out of their situation as small economies. We also view these Agreements as launching pads to gradual integration in the global system. In this regard, Mauritius, being part of various regional and subregional blocs, has made quite some strides in its endeavour to enhance cross-border trade and investment.

11. Small economies are constrained by numerous factors including geographical remoteness from major markets and from sources of raw materials. Besides, the small size of their domestic market is not conducive to the flow of the required foreign investment. In such circumstances, these countries need an environment which not only enables them to overcome their inherent weaknesses but

guarantees that they can offer security and predictability to investors, local and foreign. The enabling conditions can only be secured through the continuation of mutually agreed, non-reciprocal preferential market access, particularly those contained in the Lomé Convention. Any disruption in the steady flow of earnings resulting from our export trade would seriously jeopardize our socio-economic development.

12. The credibility of the WTO rests on its capacity to treat all its Members fairly and equitably. It is not our intention to question liberalization within a rule-based system. But we have to formulate future rules that are realistic and adjust existing ones to address the concerns of all Members, particularly the vulnerable ones. Therein lie the credibility and the sustainability of the multilateral trade system. We are at the doorstep of a new millennium and our constituents expect us to lay the foundations of a just and fair society. Here at the WTO we should live up to these expectations. Otherwise future generations will hold us to task.
