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EUROPEAN COMMUNITIES

Statement Circulated by the Right Honourable Margaret Beckett MP,
President of the Board of Trade,
On Behalf of the Presidency of the Council of the European Communities

The European Union remains strongly committed to the primacy of the multilateral trading system and to maintaining the momentum of multilateral trade liberalization. The European Union is committed to the World Trade Organization as the foundation of the multilateral trading system with its clear framework of rules and disciplines and an effective system for the resolution of disputes.

The Second Ministerial Conference provides us with the opportunity to assess the state of implementation of the WTO agreements since our last meeting in Singapore and to look forward to future activities. This week we are also celebrating the 50th Anniversary of the multilateral trade system. This provides an ideal opportunity to highlight to a wide audience the contributions which the original General Agreement on Tariffs and Trade and the subsequent WTO Agreements have made to world growth and development and to underline the benefits of continued trade liberalization for raising living standards and job creation.

The achievements since our last meeting in Singapore have been very encouraging, with Agreements to eliminate tariffs on information technology products by 2000, and to liberalize financial services and telecommunication services. All of these liberalizing Agreements contribute to cutting business costs, improving economic efficiency and benefiting consumers in all Member countries.

To demonstrate our commitment to the multilateral trading system and in recognition of the benefits it provides for all, the European Union considers that this Conference provides a useful opportunity for all WTO Members to adopt a trade pledge. Recognizing the interlinkages between openness, economic growth and continued liberalization, we see this as in the interests of all WTO Members. This should take the form of a commitment to keep our markets open, to resist protectionist pressures, and to continue the process of multilateral liberalization.

At the same time, the success of the WTO, and prospects for further consolidation and strengthening of the multilateral trade system, depend very much on the full implementation of the range of commitments negotiated during the Uruguay Round and signed at Marrakesh. That is why we attach particular importance to the full implementation of these commitments by all WTO Members within the agreed timescales.

We appreciate that the particular concerns of some developing countries regarding implementation have to be fully recognized. The European Union is therefore ready to work constructively with any country which requires technical or other assistance in advance of the end of specified transitional periods, so as to ensure full and timely implementation. We invite other developed and advanced developing countries to make this same commitment to providing technical and other assistance.

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The European Union attaches particular priority to the integration of the Least-Developed Countries into the multilateral trading system. We are determined to ensure full implementation of the commitments made at the High-Level Meeting which took place last October; to improve market access for products from LLDCs and to put in place an integrated framework for better trade-related technical assistance. Earlier this year, the European Union further extended access for imports from LLDCs. But we are committed to do more and we call on other WTO member countries join us in working toward the provision of duty-free access for products from these countries.

The European Union is committed to maintaining the momentum of multilateral liberalization. This is essential if we are to secure continued global economic growth, increased job creation, prosperity for the benefit of all, including consumers, and sustainable development. The European Union sees the best prospect for achieving these objectives through a comprehensive wide-ranging approach from 2000. We invite this Conference to agree to set in train thorough and wide-ranging groundwork so as to prepare for our next meeting in the latter part of 1999. This groundwork should cover the built-in agenda, work on trade and environment, the subjects on the Singapore work programme (investment, procurement, competition, trade facilitation), industrial tariffs and matters not yet included in the future work programme. We consider that work in all WTO fora should also be intensified to this end. The WTO General Council should be mandated to oversee this process and set in hand as soon as possible preparation for the decisions which will need to be taken at our next meeting on the scope and modalities of future broad based, comprehensive multilateral negotiations.

The WTO has to be seen to take account of current developments in international trade. Electronic commerce is increasingly relevant to the expansion of trade. Further work needs to be done in order to allow the WTO to adopt a comprehensive approach to this issue. The European Union recently submitted a paper setting out proposed elements for the WTO's work programme, including an understanding that no customs duties will be applied. The European Union believes that the trade-related aspects - services, trade facilitation, government procurement and intellectual property rights - must be progressed in parallel with work in other fora.

On other significant issues, the European Union attaches importance to making progress in the negotiations under way for accession to the WTO. The inclusion of all of these countries, including China, Russia, Ukraine, Saudi Arabia, Taiwan, would greatly strengthen the multilateral system. We must all retain as our objective the successful completion of these negotiations on the right terms so as to achieve our aim of global membership of the WTO.

Against the background of globalization and the increasing complexity of the trading environment, the European Union is very aware of the importance of ensuring that the general public is engaged in active dialogue on the benefits of trade liberalization and of the rules-based multilateral trade system in terms of jobs, growth and prosperity. The European Union wishes to use this meeting to start a process to help achieve this end and will actively cooperate to ensure that the importance of the WTO's work is communicated to the wider public. We are also committed to greater understanding of the WTO's activities and to more transparency, consistent with its role as a negotiating forum for governments. The European Union also attaches importance to the language in the Singapore Declaration on core labour standards.

The WTO has a vital role to play in creating a better world for all. We hope and expect that the outcome of our discussions here will contribute further in turning this vision into a reality.
