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STATEMENT BY H.E. MR. PÉREZ DEL CASTILLO CHAIRMAN OF THE GENERAL COUNCIL

In Geneva, on 11 August, we embarked on the last stage in our preparatory process for this Ministerial Conference. The work was done on the basis of a skeletal Draft Ministerial Text which I, in my capacity as Chairman of Council, had submitted on 18 July. It had many gaps and lacunae and it reflected the situation we were facing, one marked by a lack of concrete results and many unmet deadlines on a number of matters since the Doha Conference. In addition, there were still highly divergent positions among Members on most topics and it was plain that it had not been possible to start a real negotiating process, particularly on key issues for this Round, such as agriculture. In short, we were facing a delicate situation a few weeks away from Cancún and the prospects of a successful outcome to this Conference were seriously jeopardized.

Since then, and in the past four weeks of this preparatory process, we have seen very encouraging changes. Ambassadors and high-ranking officials in Geneva worked long and hard and new proposals were put forward that energized the process and made for substantive negotiations on all the items on the agenda. A good climate prevailed, along with a constructive and flexible attitude among all Members, and there was a clear readiness and a joint effort to search for common ground and reach understanding on complex and politically sensitive matters.

I have to say, as Chairman of the General Council, that I am satisfied with the process that has just ended in Geneva. First of all, on account of the transparency and inclusiveness of the process. All Members, without exception, played a broad and active part in the daily open-ended meetings that were a feature of this process. The transparency and inclusiveness of the process have built up confidence and credibility - an important factor that must endure and be reinforced during this Conference.

Secondly, obvious headway has been made in the negotiating process. The most important agreement is the one already mentioned on Intellectual Property and Public Health and I need add no more in this connection, except to say that it is auspicious for the start of our negotiations in Cancún. But progress has not been confined to this area alone. Following intensive work, it has been possible to produce an initial package of 25 proposals on Special and Differential Treatment submitted by developing countries, and a commitment to pursue our work in this area. In addition, signs have emerged from the preparatory stage of understandings on texts concerning many other items to be taken up by the Ministers. Progress has been made on other issues and the texts have reached a stage that will possibly make for agreement given a positive overall context. It has also been possible to arrive at understanding on a framework approach for agricultural modalities and non-agricultural market access. However, it should be emphasized that, as on the so-called Singapore issues, there are still great divergences among Members with regard to the substance of these issues.

As the outcome of these long and intensive meetings and consultations of various kinds I have submitted to this Conference, on my own responsibility and in close cooperation with the Director-

General, the Draft Ministerial Text that is now before you. The Draft does not purport to be agreed upon in any part or as a whole and it is being submitted without prejudice to the position of each and every Member State on any of the matters covered in the text.

I should have liked nothing better than to submit to the Ministerial Conference a document that met with consensus from everyone. But you are aware that this has been impossible and that convergence or directions on crucial issues have not emerged to guarantee a new text leading to greater consensus than the document I am placing before you now. We had to admit that we had gone as far as possible with the preparatory process in Geneva and, ultimately, I have been compelled to act as I saw fit and assume the responsibility conferred on me as the Chairman. I should like, once again, to thank all delegations for their intensive efforts in this regard.

The Draft Ministerial Text that I am submitting to you for your consideration, with all its deficiencies and imperfections, as well as its merits, which have been duly emphasized and noted, is still in my opinion a manageable framework for the discussions of this Ministerial Conference, and it is my hope that it will be a useful contribution to the search for the understanding that is necessary for the success of the Conference.

In order for Ministers to be able to engage in the negotiations fully aware of what happened in the preparatory process in Geneva, we have, together with the Director-General, issued this Draft along with a letter in which we give as objective and comprehensible an account as possible of the divergences between negotiators in essential areas. They will certainly call for the priority attention of the Ministers and for considerable work in reaching decisions acceptable to all parties. To mention but a few, we have highlighted the differences that still remain in connection with agriculture, in regard to both substance and procedures. We have also pointed to the persistence of the main divergent positions on non-agricultural market access. We have also clarified some delegations' positions regarding possible modalities for the Singapore issues. These do not, of course, constitute the only room for disagreement on the Draft Ministerial Text, but in our opinion they are the most significant and the ones that most call for further information for the Ministers.

In the whole of this preparatory process, and as I had announced on the very day I was appointed Chairman of the General Council, my actions have been guided by three main criteria:

First, faithfully pursuing the mandates agreed by our Ministers in Doha and maintaining the levels of ambition set for all negotiating areas, yet exercising, wherever possible, the requisite flexibility to help meet Members' most serious concerns and problems;

Second, ensuring that the development dimension is present in all negotiating areas and is clearly reflected in the results;

Third, seeking balance in the overall context of this Round and not in specific negotiating sectors or areas.

I sincerely believe that these three criteria are still fully operative in the overall exercise you are embarking on today, in the search for results that will be acceptable and will be beneficial to all parties.

Without wishing to minimize the discrepancies and problems you will be facing over the next few days, I am convinced that you have at your disposal all the necessary ingredients to make this Conference an important and decisive stage in completing the Round in accordance with the objectives and time-frames agreed on at Doha. I am also certain that you will, once again, be able to overcome difficulties flexibly and with the sense of responsibility required in the circumstances.

I should like to end by thanking all Members, as well as the Director-General and all his team, for the enormous support I received in this preparatory stage. My thanks go to you, President Fox, to Secretary for Foreign Affairs Derbez and to the Government and people of Mexico for acting as hosts at this important meeting and for their generous hospitality.

I should like to assure all Members that it has truly been an honour for my country and for me personally to have led this preparatory process and I should like to reiterate my unfailing readiness to continue here to support the Chairman of the Conference and all other Ministers in the important endeavour of making sure that this meeting is a success and will fulfil the legitimate expectations placed in it by so many millions of people.