## WORLD TRADE

## **ORGANIZATION**

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## TUNISIA

Statement by H.E. Mr Mohsen Laroui Secretary of State to the Minister of Tourism, Commerce and Handicrafts, in Charge of Trade

First of all, allow me to join previous speakers in expressing, on my own behalf and that of my delegation, sincere thanks to the Government and people of Mexico for their warm welcome and the excellent organizational arrangements and facilities placed at our disposal for this Conference.

I should also like to take this opportunity to pay tribute to the WTO Director-General, Mr Supachai Panitchpakdi, and to Mr Carlos Pérez del Castillo, the Chairman of the General Council, for all their hard work in moving forward this Round of multilateral trade negotiations.

This Conference is being held at what is a difficult time for the world economy and in a fragile international environment, characterized by a marked slowdown in growth and world trade. Developing countries are the ones to have suffered most from this situation.

That is why we attach particular importance to this Conference, which must send a strong signal to the business community in order to restore confidence in the global environment and the revival of investment and economic activity.

The Conference also comes at a key juncture: after the Doha Conference, but before the conclusion of the negotiations scheduled for the end of next year.

Now is our opportunity to push the current negotiations forward in accordance with the terms of the Doha Development Programme, an endeavour in which the single undertaking is crucial.

The headway made in the negotiations depends on the issue; some negotiating areas have recorded an acceptable degree of progress, whereas others, particularly those of greater interest to developing countries, lag behind. Each and every one of us is responsible for bringing these negotiations to a successful and balanced conclusion.

Notwithstanding the constraints inherent in our various positions and the negotiating timetables, we are gathered here today in the quest for a freer trading system, not as an end in itself, but rather as a driving force whereby the hundreds of millions who aspire to a better standard of living can have their hopes fulfilled.

We believe that the outcome of our Conference must give the development dimension of the Doha programme real content, which is effective and operational.

With regard to the implementation of WTO Agreements, honouring WTO obligations and commitments is, it goes without saying, what demonstrates credibility. It will provide developing countries with both improved market access and greater flexibility in keeping with their stages and levels of development.

As far as access to medicines is concerned, Tunisia welcomes the recent agreement in this field. Nevertheless, it is of the opinion that there are other diseases, including cardiovascular diseases and cancer, that threaten the health and lives of millions of human beings, and warrant particular attention from the international community.

Negotiations on multilateral trade must take the concerns of developing and least-developed countries into consideration and ensure greater access for the goods and services of particular interest to them.

In the area of agriculture, Members will have to take the particularities of this sector into account, bearing in mind that it is important socially as well as economically, particularly for developing and least-developed countries.

This means, first and foremost, a reduction in the support measures which distort agricultural trade and hinder the development of agricultural activities in developing countries, particularly where the agricultural sector is made up essentially of small-scale family farms, mostly outside the market.

If small-scale agriculture is to be protected from the adverse effects of trade liberalization, flexible modalities suited to supporting agriculture need to be designed and maintained to prevent smallholder activities from dying out, with all the social repercussions that this would entail.

Net food-importing countries warrant much greater attention. There can be no doubt that the export competition component of the agricultural reform programme will adversely affect the food bill of these countries. The modalities for food aid as it is currently provided are no longer appropriate, which militates in favour of developing suitable instruments able to support net food-importing countries.

Tunisia therefore calls for the revolving fund proposed by the developing and least-developed countries concerned to be established.

Turning to services, Tunisia calls for the interests of developing countries to be taken into greater consideration in the initial offers submitted by developed countries, which, in turn, will encourage them to submit liberalization offers in this sector.

To boost their services exports, developing countries need mutual recognition of diplomas and professional qualifications and improved market access through liberalization of the movement of natural persons and facilitation of travel.

With regard to non-agricultural market access, the sectoral approach presents major challenges to economies with few sectors of activity. The elimination of tariff peaks and tariff escalation is, however, crucial for ensuring improved market access for these countries.

The proposals aimed at total and sectoral dismantling of customs duties on these products are a cause for concern to us, given the erosion of trade preferences resulting from regional integration agreements. Such erosion will cause Tunisia to lose substantial financial resources from export revenue, including from one sector which alone accounts for 50 per cent of export revenue.

As far as the Singapore Issues are concerned, Tunisia wishes to insist upon the autonomy of developing countries to establish their own objectives and develop the requisite instruments to achieve them.

Lastly, I wish to extend my congratulations to Nepal and Cambodia on their accession to the WTO - further proof that this Organization should be universal. We would ask Members to refrain from imposing demands which are likely to delay or prevent developing countries from enjoying the benefits of the multilateral trading system.