## WORLD TRADE

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## MACAO, CHINA

## Statement by Mr Francis P.Y. Tam Secretary for Economy and Finance

On behalf of the Government of Macao, China, I would like to begin by thanking and congratulating the Government of Mexico and the city of Cancún for their remarkable accomplishments in hosting this Conference.

The present Round represents the culmination of two long years of hard work since the Doha Ministerial Conference which went into the preparation of this Fifth Meeting. Tremendous efforts have been made; as such I would like to express my heartfelt appreciation for the WTO Director-General, the Chairs of various Committees, the Secretariat, all distinguished delegates and participants.

This gathering of Members means that economic growth is still worth pursuing. However, the threat of economic stagnation and trade imbalances still persists. Only if we collectively endeavour to create a fair and viable framework that fosters economic growth and stability can we all share the merits of the multilateral trading system, be it developed, developing or least-developed Members.

Macao, China acknowledges that over three quarters of WTO Members are developing economies and that Doha promotes a development round. It has been our genuine desire to strengthen international cooperation, recognizing the importance of ensuring that both developing and least-developed Members participate fully in the global economy. Only if all trading Members are able to achieve their share of sustainable growth from the rules-based system, will we all reap the benefits of global trade liberalization.

Of immediate concerns to the developing Members are the agricultural and industrial sectors. As for agriculture, convergence of the existing stances is of paramount importance, whilst efforts to expand market access and reduce various domestic subsidies should continue. We stand by the belief that a fair and market-oriented agricultural trading system creates the best environment under which Members can compete to achieve growth and development.

On the industrial goods front, we believe that market access liberalization should be achieved through elimination or reduction of all tariff and non-tariff barriers. Thus, further cuts are highly encouraged. Keenly aware of the need to strengthen the multilateral framework, we would like to reaffirm our support to the ongoing negotiations to solve different positions in a pragmatic, sensible and transparent manner.

The foreseeable integration of the textiles and clothing sector into the strengthened GATT rules and disciplines in 2005 may prompt the emergence of alternate forms of protectionism,

especially anti-dumping actions. Taking into account substantial reliance of developing Members on this sector, considerably higher tariffs on textiles and clothing compared to the average industrial products will not only hamper growth of exporting Members, but also the overall interests of consumers. Macao, China would like to see a more disciplined mechanism that would curb the proliferation of such detrimental measures affecting trade.

Playing a pivotal economic role, trade in services is gaining significant attention in the international arena. Despite its rapid growth in GDP composition, due consideration should be given to developing Members regarding their own unique characteristics and different stages of development. Macao, China supports the principle of progressive liberalization under the GATS. We are ourselves open to further negotiations on services, in accordance with our long-term objective of gradual and systematic opening up of our services sector.

Notwithstanding our abidance by intellectual property rights rules, Macao, China would like to reassert that some flexibility in the implementation of the TRIPS Agreement is necessary in order to safeguard Members' public health concerns. We believe that a balance should be struck between hardcore rules and humanitarian reasons, where serious public health problems persist, especially in least-developed countries.

In line with the high priority given to development, Macao, China also attaches great importance to technical assistance and capacity-building. Developing, least-developed Members and small economies should be assisted in fully asserting their rights and defending their interests within the WTO framework. Therefore, Macao, China believes that resources and expertise should continue to channel efficient information to, and ensure clear understanding of WTO rules and undertakings of these Members.

Where formulation and implementation of rules are concerned, we underscore the fulfilment of special and differential treatment on various provisions. Such treatment should be built into the mechanism to enable developing, least-developed Members and small economies, with their limited resources and capacity, to engage fully in, and make contributions to, matters under the Doha mandate.

Macao, China also wishes to emphasize the necessity to streamline export and import procedures, such as customs-related rules, practices and documentation. A simple, fair and transparent set of rules and procedures is imperative to the facilitation of trade, as well as minimization of resources in the form of excessive costs, delays and other burdens.

Of equal importance to developing Members is also the full implementation of technology transfer clauses in all WTO Agreements. Macao, China favours additional recommendations on steps that might increase flows of technology to developing Members.

To conclude, Macao, China believes that WTO Members have a shared duty to translate our aspirations into concrete actions, so as to overcome the challenges of, and materialize the opportunities from, the multilateral trading system. In this context, we urge Members to be more compromising with a view to a successful round of negotiations by 1 January 2005.