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DOMINICAN REPUBLIC

Statement by H.E. Mr Orlando Jorge Mera Minister for Telecommunications

On behalf of the Domincan Republic and President Hipólito Mejía, I wish to thank the Government and people of Mexico for the hospitality extended to us in hosting this Fifth Ministerial Conference. I would also like to express our sincere gratitude to the WTO Secretariat in the person of the Director-General, Mr Supachai Panitchpakdi, and to the Chairman of the General Council, Ambassador Carlos Pérez del Castillo, for their efforts in preparing the Conference.

The Dominican Republic has been a Member of General Agreement on Tariffs and Trade since 1949. During that time, we have acknowledged the need for a balanced rule-based multilateral trading system that takes special account of the interests of developing countries, a need that was reiterated by all Ministers at the Fourth Ministerial Conference, held in Doha, Qatar, in 2001, where we agreed to launch the Development Round, in which the core issues on the agenda were aimed at meeting the needs of the poorest countries in the world.

In meeting for the first time since the new Round was launched, we would like to make a brief review of the headway made in the work done. First, we are compelled to express our regret with regard to agriculture that we have failed to meet the deadline of 31 March 2003 agreed on in Doha for adopting detailed modalities for negotiation. At this meeting we shall endeavour to move forward and agree on a general framework that will enable us to pursue our work so as to adopt such modalities as soon as possible. We are nonetheless greatly concerned that the developed countries, which are the ones granting the largest subsidies that distort agricultural trade, are resisting any substantive reform that will genuinely eliminate distorting support.

It is important to emphasize that, instead of being lowered, subsidies have actually risen: total estimated agricultural support in the OECD countries stands at US\$335 billion and US\$251 billion in producer support – much higher figures than those allowed in the Uruguay Round.

The agricultural sector is very important to the Dominican economy, inasmuch as it accounts for 11.4 per cent of GDP and employs more than 16 per cent of the working population. My country, however, has been seriously affected by the distortions in agricultural trade, since agricultural export earnings have declined considerably since 1997, above all because of the falling international prices in the main export items, due to subsidies and distortions. These negotiations must aim to eliminate them completely.

For the Dominican Republic it is also vital to take account of special and differential treatment, both in the general framework to be agreed on at this meeting and in the detailed modalities to be adopted in the future. Such special and differential treatment must be reflected chiefly in allowing flexibility for developing countries to designate a number of strategic products that are

important for food security and rural development, which will be exempted from the tariff reduction undertakings and the commitments on tariff quotas. This flexibility will be needed while large sums of money are still being used for subsidies and domestic support in the developed countries, aid that is prejudicial to the survival of our farmers. It will also be necessary to establish a special safeguard mechanism exclusively for developing countries to protect domestic production against subsidized imports and abrupt falls in international prices. As we said earlier, these defence mechanisms will have to be established and will have to remain operative as long as international agricultural trade continues to be affected by the present marked distortions.

As to the negotiations on market access for non-agricultural products, we hoped that it would be possible to reach agreement at this Conference on a general framework and then continue to work on detailed modalities for negotiations. In this area, as in the negotiations on agriculture, special and differential treatment is vital to my country and it must be an integral part of the agreed modalities and also comply with the Ministerial Mandate at Doha in order to take account of Article XXVIII *bis* of the GATT 94, establishing full non-reciprocity for developing countries, and the terms of paragraph 50 of the Doha Declaration. In this respect, we consider that it will be necessary to provide the requisite flexibility for the developing countries such as establishing a percentage of tariff lines not subject to additional reductions and agreeing on a formula for tariff cuts that takes account of the needs and interests of those countries. In addition, we consider that the sectoral initiatives should not be mandatory for developing countries.

With reference to the services negotiations, we can say that this is the most important sector for the Dominican Republic's economy and represented 50 per cent of GDP in the year 2000. Our country's opening of this sector, mainly on an autonomous basis, has led to substantial growth, above all in communications, tourism, transport and other services. For this reason, my country attaches great priority to the negotiations in this sector. In this connection, the Dominican Republic will be making an initial negotiating offer no later than October. We also hope that the offers from our main trading partners will be substantial, both in sector coverage and in modes of supply. Furthermore, we attach great importance to advances in the negotiations on rules, especially the rules on establishing urgent safeguards, and we hope to be able to meet the deadline of 15 March 2004 set for completing the negotiations.

With regard to the Declaration on the TRIPS Agreement and Public Health, adopted at the Doha Conference, we welcome the agreement reached in Geneva on the basis of the text dated 16 December 2002 circulated by the Chairman of the TRIPS Council. We also take note of the Declaration of the Chairman of the General Council accompanying the Decision and it is our understanding that it is confined to the matters set out in paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health and that the Annex is basically a non-binding code of conduct. In this respect, we expect full implementation of this Decision to make it easier for countries in need to gain access to medicines and help save the lives of millions of people throughout the world.

It is our view that each of the Singapore issues has to be assessed on its own merits and that the modalities to be adopted – by explicit consensus – must be clear with regard to the coverage, scope and structure of the negotiations. In addition, as established in the Doha Declaration, they must take full account of the needs of the developing countries. Many developing countries have indicated that they still need time to assess the possible implications of launching these negotiations and in this connection it is our view that developing countries must be given sufficient flexibility for them to take part fully in the negotiations in question.

As to the mandate in paragraph 44 of the Doha Ministerial Declaration to make the provisions on special and differential treatment included in the WTO Agreements more operational and effective, we are mindful of the efforts made by Members to move ahead in this area, but consider that more

work needs to be done to secure better results, since from about 80 proposals submitted by developing countries consensus has been reached on only 24 of them.

Lastly, I wish to affirm our full support for the declaration of the ACP Ministers for Trade and the Declaration of the Group of 77 for this Ministerial Conference. The Dominican Republic is ready to continue to strive for a balanced multilateral system in which we can achieve greater liberalization of trade, but remembering that we should not look on liberalization as an end in itself but as a means to obtain better development of our countries and an improved standard of living for our citizens.