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## **EL SALVADOR**

Statement by H.E. Mr Miguel E. Lacayo  
Minister of Economy

On behalf of the Government of the Republic of El Salvador, I wish to express gratitude for the warm reception and the courtesies and kind attentions paid to our delegation by the Government and people of Mexico, on the occasion of the Fifth Ministerial Conference of the World Trade Organization. I also wish to say what a great honour it is for me once again to meet here with Ministers from the other Member States of this Organization.

We are here among other things to evaluate compliance with the commitments undertaken during our last meeting in Qatar, where we launched the present round of negotiations, to pay due attention to implementation-related issues, to ensure special and differential treatment and to give the necessary political direction to topics on which, in technical terms, no progress has been possible, in accordance with the guidelines we agreed at our last Ministerial Meeting, particularly in the field of agriculture.

El Salvador supports the launch of the present Round on the understanding that the negotiations maintain a balance in all areas, so that all WTO Members discern a positive and balanced outcome from the present Round. This balance would strengthen the credibility of the multilateral trading system.

In our case, we have made every effort to respond to the requirements of trade liberalization, and we have been able to see some of its benefits; thus, as trade has increased, the poverty index in El Salvador has declined substantially, from 52 per cent in 1994 to 41 per cent in 1999 and 36 per cent in 2002.

In order to consolidate these efforts, it is necessary that the public at large in our countries be convinced that trade liberalization systems really do give rise to comprehensive benefits for the population. It is important for our populations to perceive the link that exists between trade liberalization and the social and economic well-being of our peoples.

International trade as a development tool must benefit each and every country, especially the developing countries, but it is essential for that purpose to ensure market access opportunities, to eliminate subsidies and to support developing countries through technical assistance and capacity-building, which must be geared to facilitating concrete projects so as to create faith in the existence of export opportunities for small- and medium-sized enterprises, the expansion of their output and improvements in agricultural prices for small farmers, enhancing their well-being and standard of living.

We continue to maintain, as we have consistently said on other occasions, that the multilateral trading system must be regarded not as a set of theoretical rules, but as a development tool enabling us to bring greater well-being and dignity to each of the individuals who go to make up our populations. Market access is indispensable for achieving millennium development goals.

In this connection, it is essential for the success of this Round that a balance be struck between the level of ambition required to obtain successful results and the effective implementation of special and differential treatment on behalf of developing countries.

El Salvador regards the negotiations on agriculture as a fundamental part of the Doha Development Agenda, owing to their economic and social importance for our country. El Salvador hopes that all Members will honour the agreements reached at our last meeting in connection with the elimination of export subsidies, reduction of trade-distorting domestic support measures and increased market access, thereby achieving a favourable outcome for all Members of this Organization. Special and differential treatment for developing countries is an integral part of all aspects of the negotiations. The developing countries need elbow room to deal with their sensitive products.

If a balanced result is to be achieved in these negotiations, it is essential that progress be made at the same rate in respect of agriculture and non-agricultural market access.

Liberalization in the services sector will generate benefits for all Members, provided that account is taken of the interests and particular limitations of developing countries. I should like to emphasize the importance to El Salvador of liberalization in this sector, especially as regards the movement of natural persons, and we hope that the improved offers of countries will include this mode of supply.

With regard to the Singapore Issues, although major divergences exist on each of the issues, we consider that each of them should be treated separately and on its merits. The modalities to be decided should be adopted by explicit consensus and should have a well defined structure. Full account should be taken of their impact and of the requirements and limitations of the developing countries, so that these commitments can be adopted in a responsible manner. In this connection, technical assistance and capacity-building are important during the negotiations and in the subsequent stage.

We wish to express our satisfaction with the solution achieved on the subject of TRIPS and Public Health. This is a topic of outstanding humanitarian importance, and we trust in the proper functioning of the mechanism, pending a definitive solution.

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