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Overall perspective and main priorities

The immensely positive impact of the multilateral trading system on growth, employment and stability has been crucial to the world economy over the last 50 years. The double occasion of the Second WTO Ministerial Conference and the 50th Anniversary of the Multilateral Trading System provides an opportunity to take stock of achievements so far. It also entails a responsibility for WTO Members to address the challenges of future international trade cooperation. This is a task of tremendous importance - not least for Denmark as a small and open economy. Our commitment to the multilateral trading system is stronger than ever.

Denmark has noted with great satisfaction the development of the WTO into a strong and efficient body in international trade policy and related matters. Especially, the continued reduction of trade barriers, the expanded coverage of the WTO agenda as well as the increased and globalized membership underline the importance and strength of the organization as we approach the new Millennium. Also, the dispute settlement system - and its early success - bears proof of an efficient organization.

However, this rapid development - closely linked to the globalization of the world economy - is putting new demands on the WTO. In particular, it will be crucial to secure continued public support for the WTO. This requires meeting complex challenges arising from the interplay between trade and topics related to environmental, social and equitable development. Not least for the sake of the multilateral trading system itself, it is imperative that the WTO agenda is substantially advanced regarding environment, core labour standards, integration of developing countries and openness.

Coupled with a very firm support for further liberalization in all areas of the WTO work programme, these are Denmark's top priorities for the future development of the multilateral trading system. We believe that a broad-based and well-balanced agenda is necessary to secure the interests of all WTO Members. Launching new comprehensive negotiations with a wide agenda would therefore seem the best way forward in order to maintain the efficiency and credibility of the WTO.

- Advancing the trade and environment agenda...

The issue of trade and environment is becoming increasingly important in international affairs. Public awareness and concern for the protection of the environment is growing rapidly in all parts of the world.

Against this background it seems unlikely that a major package of economic liberalization could be agreed and implemented worldwide in the decade ahead without the explicit support of the public

in both developed and developing countries. It is therefore necessary to provide new momentum to the work on trade and environment in the WTO with a view to encouraging concrete results and to including the topic in future comprehensive negotiations as a key element.

Denmark is one of the staunchest supporters of continued trade liberalization in a multilateral framework. Denmark strongly opposes any protectionist use of environmental issues. Full consideration must be given to the special situation of developing countries in further advancing the trade and environment agenda.

At the same time, WTO rules should not stand in the way of enhancing environmental standards at either the national, regional or global level. This includes that the WTO must recognize the use of trade measures in multilateral environmental agreements when necessary to reach globally agreed environmental objectives.

In sum, the WTO must aim for a stronger integration of environmental considerations and principles with a view to maximizing mutual benefits of trade and environment towards sustainable development.

- Respecting core labour standards...

Denmark attaches great importance to the promotion and respect of core labour standards. While strongly believing that the WTO has an important role to play, we firmly reject the use of labour standards for protectionist purposes. The comparative advantage of countries, particularly low-wage developing countries, must not be put into question.

On this very clear basis, core labour standards should be included in the WTO agenda. The Singapore Declaration confirmed that the WTO has a role to play in promoting labour standards. We hope to see a further evolution of the discussion to the benefit of social and living conditions around the world.

- Integrating developing countries further...

The pursuit of further multilateral trade liberalization must focus on securing full integration and participation of developing countries. The WTO should assign high priority to enhancing the trade opportunities of developing countries - with particular emphasis on the problems of the least-developed countries.

The results of the High-Level Meeting in 1997 on the trade problems of the least-developed countries constituted an encouraging first step both with regard to market access and trade-related technical assistance. It is important that the initiatives launched - as well as follow-up efforts by all WTO Members - are given high priority.

In addition, further initiatives are necessary on both market access and assistance. The work of the WTO - as well as individual members - must be carried forward in a concrete manner to enhance the role of least-developed countries in international trade. Denmark will support every effort in that direction.

- Making the WTO more open and transparent...

With increased public attention on international trade policy, criticism relating to transparency, openness and democracy has also grown in force. Needs are rapidly growing for the WTO to find a way of tackling the increased public interest in its decisions and decision-making process. Apart from

shielding the WTO from criticism, greater transparency could play a key role in communicating the benefits of trade liberalization. In turn, more public support for the WTO would be generated.

Denmark is therefore committed to making the WTO more transparent and open. At the same time, it is important to stress that no initiative on openness must put the effectiveness of the WTO at risk. From our perspective, there is no inherent conflict between openness and effectiveness.

While recognizing the steps already taken by the WTO, Denmark stands ready to promote further the issue of openness in the WTO. In order to establish an on-going process addressing this important question, one way forward could be the setting up of a WTO working group on openness and transparency.

- Addressing the challenges of globalization...

Globalization has put new demands on the WTO. As a result, investment and competition aspects of international trade are becoming ever more important. Today, competition and investment practices are perhaps more relevant to the flow of international goods and services than actual trade barriers. Denmark fully supports the on-going work on these matters in the WTO. Both investment and competition topics must form integral parts of the future agenda of the multilateral trading system - also in the shape of coming negotiations.

Electronic commerce is another contemporary subject in need of WTO attention. Work on the subject should therefore be accelerated and formally included in the WTO agenda.

Similarly, globalization and technological development have increased both the need and scope for trade facilitation. The WTO is being called upon to steer the modernization and simplification of customs and trade procedures. Considering the huge potential benefits involved, the WTO should speed up work on trade facilitation.

- Continuing progress in all areas...

A number of other issues and areas on the WTO work programme must be advanced in accordance with the agreed time-frames. Denmark will participate constructively in the scheduled negotiations arising from the "built-in" agenda regarding agriculture and services - not least in the maritime sector where substantial liberalization is of crucial importance. The SPS and TBT Agreements are other important areas of the WTO agenda as is work on revising the GPA and the TRIPS Agreement.

In a similar vein, Denmark welcomes the results achieved since the Singapore Conference, notably the liberalization agreements on information technology products, financial services and telecommunications services. Expanding the coverage of the information technology agreement is an important task ahead of us.

Another crucial challenge to the WTO lies in expanding the membership of the organization. Denmark attaches weight to the smooth and rapid accession of applicant countries - not least when considering the enormous political and economic importance for the applicants. It is clear though that accession to the WTO should be based on respect for WTO standards regarding trade policy behaviour and substantial non-discriminatory market access commitments.

- Implementing existing commitments...

The Uruguay Round and the Singapore Ministerial Conference resulted in far-reaching agreements and liberalization commitments. The full implementation of these commitments by all WTO Members within the agreed time-frames is of utmost importance.

Developing countries may encounter special problems in this regard. Denmark will support initiatives in favour of helping developing countries in transitional periods through technical, financial or other forms of assistance.

- Initiating new comprehensive negotiations...

Meeting all of the above challenges is of course an enormous task. It is in our view a task that can only be solved by establishing a broad and balanced agenda for future negotiations where interests of all WTO Member countries are represented.

Denmark is a firm believer in launching global, comprehensive negotiations - preferably a new Round - in 1999. This Ministerial Conference is a crucial stepping stone in preparing the ground for such negotiations. A decision on future negotiations would provide momentum for a further deepening and widening of trade policy cooperation in the WTO.

Reaching joint commitments towards further multilateral trade liberalization would also be the most convincing pledge against protectionism. The world economy could not ask for a more constructive and credible trade pledge than that of new comprehensive trade negotiations in the WTO.
