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COSTA RICA

Statement Circulated by H. E. Mr. Samuel Guzowski,
Minister for Trade and the Economy

I should like to begin by expressing the sincere thanks of the Costa Rican Government to the Chairman of the Ministerial Conference, His Excellency Mr. Pascal Couchepin, Head of the Federal Department of Public Economy of the Swiss Confederation, to his Government and to the authorities of the Canton of Geneva for their hospitality in hosting this Conference. I also wish to convey our utmost appreciation to Mr. Renato Ruggiero, Director-General of the World Trade Organization (WTO), and to the Organization's Secretariat for their valuable work in organizing this meeting.

Together with the Second Session of the Ministerial Conference, we shall be celebrating the multilateral trading system's half-century of existence. This commemoration should provide an opportunity for paying tribute to the invaluable support that the system has lent to the economic growth of so many countries and the prosperity of their peoples. We believe this is a propitious occasion for reviewing the road we have travelled so far and for fixing the Organization's objectives for the future.

This Ministerial Conference should allow us to examine various fundamental elements of the multilateral trading system, such as the implementation of the agreements, the continuation of the liberalization process provided for in the built-in agenda, and the introduction of other negotiating subjects to enable us to respond to the new demands of trade today.

Over these three years of the WTO's existence, we have witnessed a satisfactory implementation of the Organization's agreements, accompanied by enhanced predictability and security of international trade relations. The strengthening of the dispute settlement system embodied in the Understanding on Rules and Procedures for the Settlement of Disputes has meant that, in situations where a Member has considered that the benefits accruing to it from the covered agreements have been impaired by another Member's measures, the Dispute Settlement Body has been able to make recommendations preserving Members' rights and obligations. The Understanding is the instrument which has made the most outstanding contribution to the implementation, in both letter and spirit, of the agreements reached. My Government considers it timely to stress today the commitment made by the Organization's Members to the principles and rules of the dispute settlement system and to strict compliance with the decisions adopted by the Dispute Settlement Body.

We recognize the progress made since the last Ministerial Meeting in terms of implementation of the commitments undertaken in the built-in agenda, which has contributed to the process of trade liberalization in various sectors. I should like to express in particular my Government's satisfaction at the results achieved in the negotiations on financial services. Costa Rica contributed to this major endeavour by undertaking substantial commitments in this sector, and thereby confirmed its resolve

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to contribute to the trade liberalization process. Today I should like to reaffirm our support for the continuation of the activities contained in the built-in agenda. Among these, the work scheduled in the agricultural sector is of enormous importance, as is that on improving the Dispute Settlement Understanding. We also look forward with great interest to the start of preparatory work for the negotiations on services. We know that there is a great deal of ground to cover in improving the rules on trade in services, and therefore hope that this preparatory process will begin without any delay.

Over the last fifty years, the multilateral trading system has brought major advances in the integration of the world economy. However, the success achieved could lead to the mistaken conclusion that little remains to be done. Just as a few years ago the issues of subsidies, anti-dumping and, a little later, textiles, trade in services and intellectual property, were knocking at the door of the multilateral trading system, today there are other subjects directly related to trade which we should try to help usher in, and whose absence from the WTO means that the Organization's coverage is incomplete.

While the successes achieved in the Uruguay Round are very valuable, the trade liberalization process is an unfinished task, which we must therefore pursue without interruption. We therefore supported the commitments made at the Singapore Ministerial Meeting concerning work on competition, investment and transparency in government procurement and participated in the activities of the working groups subsequently established. I should like to mention in particular the work carried out by the Working Group on the Relationship between Trade and Investment and stress once again that we trust that its conclusions will in future lead to the development of multilateral disciplines for direct foreign investment in the WTO.

One of the subjects that has become very important in recent years is that of electronic trade. The growing importance of this activity and the lack of border restrictions on it must prompt us to examine the possibility of preserving this situation. We believe that the efforts we have undertaken to eliminate the restrictions existing in some sectors must be accompanied by the adoption of commitments to prevent the erection of new barriers in areas where they do not yet exist.

My Government wishes to take this opportunity to reaffirm the primacy of the multilateral trading system and our belief in its fundamental importance for achieving better levels of economic growth and development. We consider that regional trade integration initiatives may also contribute to attaining these objectives, but in so doing they must comply with the rules and principles of the multilateral trading system.

Finally, I should like to say that with regard to the future negotiations in the WTO, the Government of Costa Rica is in favour of including the various trade sectors. Wide-ranging negotiations that bring reciprocal benefits would help to hasten implementation of the commitments entered into and foster more extensive trade liberalization, thereby contributing to greater development for our countries.
