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EL SALVADOR

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

On behalf of the Government of the Republic of El Salvador, I wish to express gratitude for the cordial reception and the kind attentions paid to our delegation by the Government and people of Qatar on the occasion of this Fourth Ministerial Conference of the World Trade Organization. It is a great honour for me to meet here with the Ministers of the other Members of the Organization.

El Salvador comes to this meeting convinced that a more open trading system, with clear and fair rules, is an important instrument for achieving the objective of improving the living conditions and quality of life of our population. We are convinced that the liberalization of international trade leads to increased employment in the developing countries, an economic system based on freedoms, but with opportunities for all, and a strengthened and sustainable democratic system.

Our presence here is designed, among other things, to contribute to the consolidation of this Organization as a negotiating forum and mechanism for trade liberalization, to evaluate compliance with the commitments undertaken during the Uruguay Round and at past Ministerial Conferences, to accord adequate attention to the implementation issues, to ensure special and differential treatment for small economies and, finally, to decide on the launch of a new round of negotiations.

We recognize the efforts made in the World Trade Organization, through the meetings of the different committees, in order to produce pertinent, clear and balanced regulations serving to improve compliance with the agreements reached during the Uruguay Round. However, it is especially important to ensure that the developing countries, particularly the small economies, secure a greater share of the benefits of international trade.

We have maintained a flexible and constructive position in respect of the concerns and requirements raised by the different Members. We recognize that the developed countries also have sensitivities in such sectors as agriculture, and we hope at the same time that our own sensitivities are recognized and duly taken into account.

El Salvador supports the launch of a new negotiating round, but there must be balance in the content of our Declaration and in the future negotiations in the new round, so that all WTO Members see a positive and balanced outcome to this Conference. Such balance will strengthen the credibility of the multilateral trading system.

The multilateral trading system must be looked at not only from the standpoint of theoretical rules, but as a development tool enabling us to achieve greater well-being and dignity for each individual citizen in our countries.

To that end, we Ministers must take full advantage of the valuable opportunity this Conference provides, by taking the necessary policy decisions that will enable all Members and, in particular, the small developing economies, to realize the real benefits of participation in the World Trade Organization.

El Salvador accords the highest priority to economic and social development plans under Article 27 of the Agreement on Subsidies and Countervailing Measures, since these constitute regimes of vital importance for the achievement of our legitimate and just aim of ensuring the well-being of our population by attracting investments which facilitate the creation of greater employment opportunities; this in turn will not only raise income levels but contribute to improved access to health, education and decent housing.

Together with other developing countries, El Salvador has taken an active part in the work of the Committee on Subsidies and Countervailing Measures, where we have put forward serious proposals aimed at finding a comprehensive solution in respect of plans of this kind.

Although we would have preferred another type of solution, we consider that the proposal by the Chairman of the Committee on Subsidies and Countervailing Measures, taken up by the Chairman of the General Council, is an acceptable one. However, the most important element of the solution, namely the question of time-limits, remains to be defined.

We are confident that the participants in this Ministerial Conference agree with our view that our economic and social development plans are not designed to distort international trade or to cause problems in other markets. The principal and sole objective is to provide employment and greater well-being for our populations.

A sustainable democracy is only possible when people find opportunities for development and growth in their country, which only security of employment can provide.

El Salvador, as a small developing economy, has been working diligently to ensure the well-being of its citizens, and in so doing has had to confront major obstacles, such as armed conflicts, hurricanes, two consecutive earthquakes, a slowdown in the world economy, low prices in international markets for our main export products, and high oil prices; these factors have had a strong and negative impact on our economy.

Despite the foregoing, El Salvador has succeeded not only in maintaining stability, but has also managed to consolidate its economic development. Our citizens have assumed responsibility for their future and will continue resolutely to confront all challenges and adversities, with faith in a better future shaped by their work and their effort. This challenge will be met if we have the necessary tools to achieve our objectives.

My delegation cannot go back to El Salvador and tell our citizens that the interests of developing countries, and the benefits of their participation in international trade, were secured at this Ministerial Conference, but that the economic and social development programmes we are currently promoting were not addressed; that it was agreed to give developed countries a lengthy period of time to reduce their domestic supports for agriculture, but that our incentives to investment are to be eliminated within a short time.

Colleagues, Ministers, delegates, this is the opportunity for the world to accept and recognize the virtues of a WTO which seeks and achieves an outcome that is perceived as balanced and positive for each of its Members. Let us take concrete steps to contribute to the consolidation of our democracies.
