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EGYPT

Statement by H.E. Dr. Youssef Boutros Ghali, Minister of Economy and Foreign Trade

I would like to start by expressing our sincere thanks and appreciation to the Government of the United States for hosting this important Conference, and for the hospitality they have extended to all delegations in this regard including my own.

Although it has only been five-years since the signing in Marrakesh the Agreement establishing the WTO; the organization has assumed an unprecedented clout and responsibilities. This obviously stems from the challenges and opportunities it offers. Those challenges and opportunities make the Seattle Conference all the more important in guiding us in the years to come and in enabling us to focus our future agenda in the multilateral trading system. The success of the multilateral trading system and the World Trade Organization can only be measured through the full participation of the developing countries in shaping and formulating the rules of this system and ensuring the equitable sharing of gains and benefits.

We, as yesterday's contracting parties within the GATT's framework, and today's Members of the WTO had settled a basis which we thought fair and equitable for a multilateral trading system to guide us all, developing and developed countries, towards the next millennium with prosperity for all peoples achieved and with integration of our economies enhanced. Egypt as a developing country has exerted every possible effort to attain and pursue the goals of open markets and liberal trade policies, yet the unbalanced scale between the rights and obligations within the framework of the Uruguay Round Agreements had resulted in an unfair distribution of benefits.

It is therefore imperative to take the necessary decisions to rectify many of the asymmetries arising from the implementation of the Agreements under the World Trade Organization since its entry into force in January 1995. We believe that this Ministerial Conference provides a good opportunity for such decisions.

Egypt is of the view that the structure for future work as set out in the Geneva Ministerial Declaration should be adhered to. Following this structure will ensure that the balance of Members rights and obligations is maintained. To this end, implementation issues raised legitimately by many developing countries including my own in the preparation process for Seattle should be addressed and resolved satisfactorily by our Conference. The unresolved issues by the time this Conference concludes should be dealt with under the aegis of the General Council. I would like to take this opportunity to stress the great importance we attach to address the shortcomings we are facing in the implementation of the agreements whether in the form of substantive obligations we cannot tackle, but more importantly with regard to the developed countries unfulfilled obligations under the Special and Differential Treatment provisions, its increased resort to contingency protectionist measures as anti-dumping, use of standards in the TBT and SPS Agreements, the manner in which the Agreement on Textiles and Clothing is implemented, the inadequacy of technical assistance, and market access

restrictions hampering the flow of our exports to their markets. And last but by no means least the total non-implementation of the Marrakesh decision for net food importing developing countries.

We are committed to the mandated negotiations in agriculture and services. In the upcoming negotiations on agriculture, Egypt firmly believes that the negotiations should consider binding and operationalizing Special and Differential Treatment for developing countries in order to render it more meaningful and effective and to take into consideration the differences in the levels of development and to assist in the facilitation of the development of the agricultural sector in developing countries, and expanding wider market access opportunities for their agricultural products. Genuine efforts should be geared towards the activation of the Net Food-Importing Developing Countries Ministerial Decision by laying out concrete operational measures and programmes to render it more effective and responsive to the needs of those countries.

As regards services, we reiterate that negotiations should mainly aim at increasing participation of developing countries in world trade in services, and are to be conducted within the existing architecture of the GATS and under the principle of progressive liberalization. Specific commitments should be based on the request and offer approach and have to secure the overall balance of rights and obligations, maintain the flexibility for developing country Members, respect the national policy objectives and take into consideration the level of development of individual Members. Negotiations should ensure that services sectors of export interest to developing countries are significantly included in the schedules of commitments of developed countries.

As regards the future work in the WTO, Egypt fails to see the rationale at this moment in time to negotiate trade rules for investment and competition. We believe that the educative and exploratory process should continue regarding trade and investment, competition, transparency in government procurement and trade facilitation, without prejudging whether negotiations will be initiated in the future.

As concerns transparency in government procurement, Egypt believes that such a subject falls squarely within the mandate of the Singapore Declaration so as to pursue the conduct of the study on Transparency in Government Procurement practices, taking into account national policies and aiming at developing elements for inclusion in an appropriate agreement, which should not be expanded to include market access or dispute settlement mechanisms.

We also have a firm point of view as regards the new issues such as trade and environment, and core labour standards, we oppose the inclusion of those issues in the new trade negotiations, as this would lead to new disguised barriers to trade and would further minimize market access opportunities for developing countries, thus adding to their economic and social suffering.

In our view, core labour standards do not belong to trade negotiations. We believe that the ILO is the competent body to deal with this issue and it should stay this way.

I would like before I conclude to refer to the accession process to the WTO and its importance for achieving the universality of the MTS. But before doing that I would like to extend a warm welcome, and congratulate the new Members that have joined the WTO since our last conference in Geneva, namely: Kyrgyz Republic, Latvia, Estonia, Georgia and Jordan – welcome amongst our midst, and we hope that we are very soon able to congratulate others in the acceding process. I need not stress more that this process should ensure the speedy, smooth, and transparent procedures for accession, and avoiding discrimination against new applicants. In this context I would like to express Egypt's deep regret to the objections raised on the request submitted by the League of Arab States for observer status to this Third Ministerial. The League of Arab States, of which Egypt is a Member along with 22 Arab States is an intergovernmental organization of which ten are presently full-fledged Members to the WTO and six are either observers or in the process of accession. Needless to say that it has a considerable work driven from its mandate and competence on economic issues particularly

trade. I sincerely hope that this matter is rectified when the General Council considers the issue of observer status to the WTO in the future.

Let me conclude by stating that as long as there is good faith and political will to enhance "MTS" to achieve its objectives, this system will allow all participants to gain its fruits and benefits. Having said that, I cannot but repeat a sentence mentioned in a speech of Mr. Mike Moore who was quoting President John F. Kennedy and I quote "If a free society could not help the many who were poor, it could not save the few who were rich".
