

WORLD TRADE ORGANIZATION

WT/MIN(99)/ST/73
1 December 1999

(99-5336)

MINISTERIAL CONFERENCE
Third Session
Seattle, 30 November - 3 December 1999

Original: English

PAPUA NEW GUINEA

Statement by Mr. Michael Maue Secretary, Department of Trade and Industry

1. I would like to take this opportunity to extend my delegation's warm appreciation and gratitude to the Seattle Host Organization and the WTO Secretariat for arranging this important meeting. Despite the disruptions that have delayed the proceedings for this Ministerial Conference, the events of the recent days have underscored the need for this august body to ensure trade liberalization produces tangible results that are widely perceived to be consistent with the goal of environmentally sustainable development as well as equity for all participants.
2. While the Government of Papua New Guinea fully supports the objectives of assuring appropriate environmental and labour standards of which we have heard so much in the past few days we consider these to be most appropriately determined within context of national policy. Papua New Guinea recognizes widely accepted international standards set in fora such as the International Labour Organization. Papua New Guinea is a signatory to the agreements on core labour standards, and seeks to maintain high environmental standards and recognizes international health values where these exist. Papua New Guinea, along with other developing countries, however categorically rejects the notion that any country, no matter how large or powerful, has a right to impose its labour and environmental standards on other WTO Members.
3. Papua New Guinea recognizes that there exists a clear mandate from the Uruguay Round to begin negotiations on the built-in agenda issues. We see great value to all Members in commencing at the earliest possible date further negotiations on agricultural issues as well as the service sector.
4. Papua New Guinea believes that the elimination of export subsidies in certain agricultural products such as edible oils will greatly benefit some of our poorest citizens who export cocoa, copra and palm oil products. However we also recognize that there is a need to help developing countries that are net food importers and are suffering balance-of-payments difficulties with the effects of further agricultural liberalization and we call upon Members to operationalize the Declaration on Net Food Importing Countries.
5. Papua New Guinea shares the view, along with other developing countries, that there is a clear need to re-visit the implementation of many of the Uruguay Round Agreements to assure that some of the imbalances that were created are rectified. The time when developing countries would accept positions by large developed countries are now well and truly over.
6. Tariff reductions are critical to facilitate trade, however developing countries must be allowed to do so progressively over time so that appropriate measures can be taken and policies introduced to accommodate these changes.

7. I would like to now turn to Papua New Guinea's trade policy. Papua New Guinea maintains an international trade policy based upon four key components. The first and most important component has been the strengthening of the multilateral trading system.

8 Papua New Guinea was a GATT *de facto* Member and became a founder Member of the WTO in 1996. Papua New Guinea remains committed to the strengthening of the multilateral rules based-trading system and the full integration of developing and least-developed countries.

9. The second leg upon which Papua New Guinea trade policy is based is the concept of open regionalism as expressed by APEC leaders. The third leg of Papua New Guinea trade policy is the development of regional integration arrangements with the Melanesian spearhead group and eventually with all forum island countries. Lastly Papua New Guinea remains strongly supportive of non-reciprocal trading arrangements such as Spartecca and the Lomé Convention which have assisted Papua New Guinea and other developing countries to establish export-oriented industries.

10. Papua New Guinea has pursued an aggressive policy of most favoured nation liberalization which will result in dramatic cuts in tariffs by 2006 at which point the highest tariff will be 40 per cent. Papua New Guinea has this year also introduced a value-added tax system as a means of revenue generation to replace revenue losses stemming from trade liberalization.

11. Finally, I wish now turn to the question of accession of developing and least-developed countries. As we have already mentioned, Papua New Guinea is committed to the full integration of developing and least-developed countries in the multilateral trading system. Papua New Guinea shares the view of other WTO Members that there has been inadequate progress in the accession of developing and least-developed countries. In particular Papua New Guinea is deeply concerned by the unreasonable demands being placed on Vanuatu in its accession process and calls upon other WTO Members to accept its recent package delivered to the Working Party made on Vanuatu accession on 18 October 1999. We also call upon all WTO Members to undertake a complete review of the accession process with the specific intention of creating a fast-track to accession by least-developed countries. We also look forward to and fully support the accession of other Pacific island countries including Samoa and Tonga.

12. Distinguished WTO Members, observers and guests, I thank you for this opportunity to present Papua New Guinea's statement.
