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NEW ZEALAND

Statement by the Honourable Jim Sutton Minister for Trade Negotiations

I want to extend New Zealand's thanks for Mexico's hospitality and able management of this Conference.

Chairman Derbez has no easy task.

But he has the Doha Mandate to guide him - and willing friends to help him find the path.

New Zealand counts itself among those friends.

We are ready to be pragmatic and to look for solutions, but there are some minimum standards this Round must meet.

Agriculture is our greatest challenge, and greatest opportunity.

Progress on agriculture can unblock this Round, but without real progress on agriculture, the Round must fail.

Wealthy countries of the OECD which have subsidized and protected their farmers at the same time as they have benefited from increasingly free trade in industrial goods and services, must show the way.

As an essential first step, the European Union, the United States and any others who subsidize exports should take the opportunity of Cancún to agree unequivocally that one outcome of the Doha Round shall be the phase out of all export subsidies.

We can negotiate next year the when and the how.

Secondly, **Market Access**. The Chairman's text as it stands offers no confidence that sensitive sectors will be opened to competition.

New Zealand is ready to recognize that sensitive products could require special treatment. But we expect something back. If a product is to be subject to less than a full tariff cut, there should be at least tariff quota expansion. And tariff quotas must allow effective access.

As a third step, on **domestic support**, we have to ensure that genuine cuts are made in the programmes of the major players so that reforms start to be made for all products.

If we are ready to move in these ways, this will generate progress not just in agriculture itself, but across our whole agenda..

On **Development**, I believe that if we make the right moves in key areas, we will provide for developing countries the biggest dividend of all from this negotiation.

Our ambition goes beyond agriculture. We seek a truly liberalizing approach to non-agricultural market access.

We need a simple, ambitious and harmonizing formula. And an approach which achieves real liberalization in the most protected sectors - including forestry and fish.

As for the Singapore Issues, progress will require sensitivity to the concerns that have been expressed on these issues. Developing countries have genuine issues of capacity. We will only move forward on these issues - separately or together - if we can get both realistic and clear options on the table.

At Doha we all made a commitment to promote sustainable development and to enhance the mutual supportiveness of trade and environment. New Zealand supports the proposal to put on a more concrete basis invitations to key international environmental organizations and M.E.A. Secretariats to attend the Special Sessions of the Committee on Trade and Environment.

New Zealand is pleased by progress in negotiations to strengthen disciplines on fish subsidies. It would seem that fish have gained some new and welcome friends since Doha. This is an encouraging beginning. Here again the key word must be "ambition".

Let me conclude by saying that our objective in this Doha Round is to make a real contribution to bettering the living conditions of all our communities.

Our job here is to take the decisions that can make a contribution to development in the trade sphere.

But we in New Zealand are committed to properly integrating our trade policy with our other governmental policies such as those in environment, labour and development. That reflects our view that economic and social development can and should go hand in hand.
