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I should like first of all to associate myself fully with the words of gratitude to the authorities and people of Mexico and of the city of Cancún for graciously hosting this Ministerial Conference.

Like many others, I too wish to congratulate Minister Derbez on his assumption of the Chairmanship. We have no doubts that the heavy responsibilities incumbent upon him are in good hands. It will give us a great deal of pleasure to cooperate with him in every possible way.

Our thanks go also to the Chairman of the General Council, and to the Director-General and his staff for their hard work in preparing for this Ministerial.

At the Conference held in Doha, Ministers unanimously expressed their readiness to participate in the broad and balanced work programme which is beneficial to all Members and results in more economic growth, employment and sustainable development worldwide. It was a demonstration of a collective will to secure further trade liberalization, as well as to bring about a strengthened and expanded multilateral trading system, one which is sufficiently responsive to the challenges of today's world. To bring into focus one of the overriding objectives of the programme, namely that of integrating the development dimension into all areas of the negotiating agenda, Members gave it the name of the Doha Development Agenda.

It is now less than two years since the negotiations got underway. Two years of intensive work and cooperative effort to strive for some progress across the wide range of topics and break the key deadlocks along the way. During that period, many proposals have been tabled and various reports produced which all testify to the enormous amount of work accomplished to date.

This is not to say, however, that there is any room for complacency. Much more could, should and must be done. Disturbingly too many key issues remain to be settled. A number of missed deadlines are of a particular concern, as it is a lack of headway in many areas.

The purpose of this Ministerial Conference, which takes place at the halfway mark of the Doha Round, is to review the negotiating process so far. But it is not planned as just a mid-term review. We meet at Cancún to take some important decisions on how to channel the process onwards. To provide clear political guidance and impetus for the remaining period, while bearing in mind the ultimate objective of finalizing the negotiations within the agreed limits, to which the Czech Republic is fully committed.

Indeed, we are not here to close the book. However, to meet the January 2005 deadline and not to run the risk of drifting into the sands, we must act now. Success of the whole Doha Round

largely depends on our ability to reach political breakthroughs at Cancún. Even after these breakthroughs have taken place, there will be a great deal of work that still lies ahead of us. Any delay at this particular juncture would cause a dangerous loss of momentum and could even put under question the existing trading system.

Major substantive issues, which require political decision making, are well known. For their solutions to command general acceptance and respect, it is essential that they be guided by a sense of realism and based on a true spirit of conciliation and understanding for each others positions and concerns.

This is a commonly shared responsibility. It follows that all Members have to contribute according to their individual means and limits of economic development. What is now at stake is the level of ambition as set by us when we met in Doha. We have to be prepared to engage in the genuine process of give-and-take, as well as to tackle blockages facing the negotiations on all fronts and in all areas. This is basically because of the widely shared perception that all elements of the ongoing negotiations must move together. Only such an approach can ensure a global and well-balanced package and results beneficial to all.

A recently taken decision on the implementation of paragraph 6 of the Declaration on the TRIPS Agreement and public health validates that if the above ingredients are at hand the WTO can deal efficiently with all issues confronting and related to international trade, irrespective of their sensitivities and complexities. It is in this spirit that we have to tackle a long list of unsettled questions contained in the documentation before the Ministerial Conference and that I should like to say a few words about some of such questions.

Starting with the difficult issue of agriculture, Ministers' task is to give further directions for the continuation of the reform process aimed at the establishment of a fair and market-oriented agricultural trading system. My country is ready to negotiate towards such an objective. However, in pursuing it, any framework to be decided upon here in Cancún has to take fully into account the different ways of farming across the world and interests of all Members. Any new commitments will have to be made in an equitable way and balanced against non-trade concerns such as rural development, environmental protection and food security. Excessive demands going beyond the limits of realism and undermining the fundamental architectural structure of the Agreement on Agriculture will do the reform process a disservice. They will also seriously compromise the general support for the broad policy of fundamental changes in agriculture that the Czech Republic has adopted.

The emerging non-agricultural market access package which is of paramount importance to any country that seeks sustained growth does not look as promising as we would like it to be. In this traditional area of the then GATT and today's WTO, Ministers have to adopt a credible framework that will lay down the foundation for substantial improvement in market access for all Members. To achieve this objective, a single and non-linear harmonizing formula to reducing tariffs is needed. This formula has to be complemented by sectorial initiatives with comprehensive participation, not to forget about the need to reduce or as appropriate eliminate non-tariff barriers.

In services, we welcome progress already achieved, both in market access and rule making. To advance the ongoing negotiations further, new initial and improved offers have to be tabled.

In the area of rules, we are supportive of strong rules and disciplines to provide the necessary transparency and predictability on the overall trading system. We recall the importance of completion of the negotiations on dispute settlement within the newly set deadline of May 2004.

On geographical indications, it is important that we do not let the opportunity of this Ministerial pass without providing clear guidance for further negotiations on a legally binding

multilateral system of registration and by recognizing that the extension of additional protection to other products is an integral part of the ongoing negotiating process.

Similarly, much still remains to be accomplished if we are to benefit from synergies that exist between an open trading system and protection of environment. Failure to do so will compromise this institution's ability to play a fuller role in the pursuit of the increased international policy coherence and will be understood by the outside world as portent of failure to address the wider issues related to the WTO.

The deadlock on the modalities for the Singapore Issues must be broken and negotiations launched here at Cancún, as foreseen by the Doha Ministerial Declaration. All four issues are a part of a single undertaking and we stand ready to do all in the endeavour to achieve results satisfactory to all Members.

This brings me to a final comment; the need to promote full participation of developing and least developed countries in the ongoing negotiations and multilateral trading system in general. To enable these countries to reap the fruits of new market opportunities, greater attention has to be given to their particular problems, interests and situations.

To conclude, I wish to reiterate once again that the Czech Republic is firmly committed to the mission and objectives of the WTO. In this regard, we stand ready to contribute, and very soon as a new member of the European Union, to a final success of the Doha Development Round.
