

# WORLD TRADE ORGANIZATION

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## BRAZIL

Statement by H.E. Mr Celso Amorim  
Minister of External Relations

I wish to convey our gratitude to the Government and people of Mexico for their warm hospitality as well as our appreciation for the fine arrangements for this Ministerial Conference.

President Lula is totally committed to social justice. This has a domestic dimension as well as an international one. First in Davos and then in Evian, President Lula brought the message that economic growth and social sustainability cannot be dissociated. In the next United Nations General Assembly, he will be pushing this message forward, reiterating his appeal for greater sensitivity for the plight of the poor. We want to make trade and trade liberalization instruments of social change. Trade must be a tool not only to create wealth but also to distribute it in a more equitable way.

We can create here in Cancún a new spirit, showing that trade liberalization and fairer distribution of wealth are not only compatible but mutually supportive.

Brazil remains a steadfast supporter of an equitable, rules-based, market-oriented multilateral trading system. The WTO is a linchpin of our integration into the world economy: expansion of trade is central to creating jobs and achieving higher rates of economic growth and therefore improving life conditions for hundreds of millions of people, who live below the poverty line.

When this Round was launched in Doha two years ago, there was a shared sense of urgency which seems to have been lost.

We must change this. And we must do it here: in the WTO.

This Fifth Ministerial Conference is the proper place for us to show our commitment and to rededicate ourselves to the Doha mandate. Complacency is not an option. The greatest threat to the multilateral trading system comes from within. The WTO runs the risk of irrelevance. The danger of fragmentation is clearly there. This will be to no one's benefit and certainly not to the benefit of developing countries.

Yet, to call the Doha Work Programme a "development round" is not enough. Words in and by themselves do not have the magical power to transform reality. Development goals and concerns must be effectively incorporated into the core of the WTO Agreements. They cannot be an afterthought in rules tailored to the needs of developed countries; a footnote in agreements which largely ignore the developing world. Derogations and longer timeframes for implementing burdensome rules are not a substitute for mainstreaming the development dimension in the system.

The Doha Declaration on TRIPS and public health, as well as the decision on the implementation of paragraph 6 of the Declaration, were important milestones. Brazil is proud to have been closely associated with both steps. But much remains to be done.

Perhaps no other area of trade is subject to so much discrimination as agriculture. Distortions in agricultural trade do not simply harm developing countries by denying them market opportunities. Domestic and export subsidies in developed countries depress prices and incomes throughout the world, cut into the export earnings of competitive exporters and increase food insecurity in developing countries. Their addictive power does not contribute to productivity or creation of wealth. They only generate dependency on one side and deprivation on the other.

None of the other issues in these negotiations remotely compares to the impact that the reform of agriculture can have on the alleviation of poverty and the promotion of development. This awareness was what brought together a large number of developing countries of different sizes, from different regions and with different economic structures. These nations, who account for more than half of humankind are united around the cause of agricultural reform.

The G-21 proposal asks for the full implementation of the Doha mandate in the three pillars of agricultural reform. At the same time, the proposal incorporates legitimate development concerns and the need for special and differential treatment. These objectives are not contradictory. They are mutually supportive. The simple fact that this proposal was made has already altered profoundly the correlation of forces in our Organization. I am convinced that it will be instrumental in bringing nearer the reform we have been speaking about for so long but that we have been unable to accomplish so far.

This Cancún meeting can be a historic turning point. As OXFAM and others have recognized, we have now the opportunity to bring social demands from the streets into the Conference hall.

The countries that have presented the proposal represent over 63 per cent of the world's farmers. Our proposed framework incorporates significant negotiating positions. It has been carefully designed, technically as well as politically. It cannot be ignored. Already we see new dynamics, which hopefully can lead to real negotiations.

For Brazil, agriculture and development are central to the success of the Round. But they are not our only concerns. We participate actively in all areas of the negotiations and are prepared to make contributions to their success, in a manner that is consistent with our development needs.

We are ready to engage with our partners with a view to the fulfilling of the Doha mandate. Let us show to the world that the WTO will resist protectionism and overcome special interest. That it will stand up for trade liberalization and live up to its commitment to development. We have waited for many years for this chance to redress the shortcomings of previous Rounds. We now have it in our hands. We, in the G-21, are organized for that purpose. We stand united, we will remain united. We sincerely hope that others will hear our message and, instead of confronting us or trying to divide us, will join forces in our endeavour to inject new life into the multilateral trading system. To bring it closer to the needs and aspirations of those who have been at its margins - indeed the vast majority - those who have not had the chance to reap the fruit of their toils. It is high time to change this reality. This should be the spirit of Cancún.

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