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COSTA RICA

Statement by H.E. Dr. Alberto J. Trejos
Minister for Foreign Trade

On behalf of the Government of Costa Rica, I should like to express great satisfaction that this Ministerial Conference is being held in Mexico. I wish to thank the Government and people of this sister country for their efforts in organizing the Ministerial Conference and also the Minister of Foreign Affairs, Luis Ernesto Derbez, for the enormous work he will have to do these days, in his capacity as Chairman, so that we, the 146 Member countries of this Organization, can reach an agreement that is beneficial to all our peoples.

I should like, in addition, to convey our gratitude to the Chairman of the General Council, Ambassador Carlos Pérez del Castillo, Director-General Supachai, and the WTO Secretariat for their invaluable work and the great sense of responsibility with which they advanced the preparations in Geneva. We did not give them an easy task; while it is our responsibility to point to the many things each of us would like to change in the proposed text, we must not be petty in acknowledging their genuine and skilful efforts.

Two years ago, in Doha, we the Members agreed on a broad and ambitious negotiating mandate, with overall objectives consistent with prosperity, justice and development. The balance achieved there enabled all parties to believe that they had won. Costa Rica, in particular, had endorsed the goals that we set in this work programme, since it has high levels of ambition on the main topics of the Round, in particular agriculture, market access for non-agricultural products and the Singapore Issues. We believe in the value to our peoples of each of these components. We are also aware of the realities of negotiations and that it is impossible to succeed in one's aims if others do not in turn succeed in feeling that they too are winners.

We welcome the headway made up to now in some areas of the Round. On the other hand, we are concerned about the difficulties being experienced in some matters, especially in regard to agriculture, the most important area of these negotiations. Costa Rica has been an active proponent of thoroughgoing agricultural reform for many years now. Together with other agro-exporting countries allied in the Cairns Group we have continuously made sustained and serious efforts at negotiation on the three pillars of the rules. Most of these proposals have also been set out in an ambitious, serious and realistic document that 21 developing countries have submitted in the Organization in recent weeks. Those of us who prepared and signed this document account for two-thirds of the world's farmers. Our voice must be heard. This is the Development Round: nothing is more important to developing countries than more equitable rules for our farmers.

The framework of the agricultural negotiations modalities we agree on here must reflect a proper balance between the three pillars. First, the commitment to eliminate all export subsidies must be unequivocally confirmed; there is no other way to interpret what we agreed on in Doha and the only point we should be discussing here is the pace and an early date. Second, we must agree on a framework for reducing trade-distorting domestic support, which is found above all in the two big

developed blocs. The reduction must be significant, must be calculated on the basis of current realities and not on bound levels and it must be done honestly and must not simply involve accountancy manoeuvres and changes of imprecisely defined boxes and categories. Third, we have to allow greater reciprocal market access, fostering more trade and greater prosperity. It is essential, in all these matters, to ensure special and differential treatment of the developing countries, providing them with proper flexibility for sound implementation of the agreements.

Many of us cannot consider these negotiations complete without achieving ambitious results in regard to agriculture. Furthermore, it is on these results that we will be able to obtain important agreements in other areas, such as market access for non-agricultural products. Costa Rica is mindful of the fact that our future as a small country aiming at development lies in its capacity to continue to rapidly expand the volume and sophistication of its industrial exports. This calls for greater market access with clearer rules. Costa Rica endorses a straightforward and ambitious formula for reducing industrial tariffs in which commitments will be expressed entirely in *ad valorem* terms and in which all nations have bound all of their tariffs. To secure these objectives, we also realize and justify the need and importance of special and differential treatment, but it must not divert attention from South-South trade, since 40 per cent of developing country exports go to other developing countries.

The objective of improving access to other markets can be achieved only with a full commitment to clarify multilateral rules on anti-dumping and guarantee that such mechanisms are not used exclusively for protectionist purposes.

The WTO agenda includes efforts to arrive at multilateral agreements on investment, trade facilitation, competition and transparency in government procurement, matters in which Costa Rica was one of the countries that made the original proposals. After seven years of study and arduous deliberations, there is no justification to continue the argument that the time has not yet come for discussions. In keeping with the Doha Mandate, we seek here to reach agreement in Cancún on modalities in the Singapore Issues. We are convinced that the development of multilateral rules in these four areas would be beneficial to all nations. It is also our belief that these steps are essential in order to create a negotiating balance that will allow for ambitious goals in other areas.

We have come to Cancún bearing a heavy responsibility. We must seek ways to find room so that our divergences can grow narrower, for it would be unacceptable to return to our capitals without concrete results. An ambitious agenda is possible, with a beneficial outcome for everybody. To get there, we have to learn to listen to one another, to make our concerns those of others. The world has no tool more effective than trade in promoting prosperity and development: much is at stake for us in achieving our objectives. If we know how to find the way to a sound agreement and a significant change, we shall be sending out an important signal worldwide. We shall learn to recognize the results in the well-being of our peoples and above all in that of the poorest.
