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## BULGARIA

Statement by H.E. Mrs Lidia S. Shouleva  
Deputy Prime Minister and Minister of Economy

First, let me thank the Government of Mexico for hosting this Ministerial Conference, for the excellent organization of the event and for the warm hospitality extended to all of us.

We in Bulgaria attach special importance to this Fifth Ministerial Conference of the World Trade Organization because of the significant role it has to play in the current round of multilateral trade negotiations launched in Doha two years ago. These negotiations will influence the economies of all countries and the welfare and livelihoods of billions of people. We are, therefore, of the view that they should be held in a transparent manner, with the genuine participation of all Members, and that the outcome of the negotiations should be acceptable to all participants: big and small, developed and developing, rich and poor. Each Member should be able to find a positive balance for itself in each step, in each area of the negotiations and in the final results of the single undertaking.

Two years after Doha, we have come to Cancún to take stock of the progress in the negotiations, to provide political guidance and to take the necessary action.

We welcome the historic decision of the WTO General Council on the implementation of paragraph 6 of the Doha Declaration on public health, providing a solution for the problem of compulsory licensing by Members with insufficient or no manufacturing capacity. This decision will facilitate the efforts of many countries to cope with the severe health crises their populations are faced with.

The progress made before the Fifth WTO Conference, however, has not been sufficient to produce the expected results on other matters, as foreseen in Doha: on many implementation issues of utmost importance for a number of countries, including my own, on modalities for the negotiations on agriculture and on non-agricultural market access. The deadlines for the negotiations agreed to in Doha have not been met so far. These deadlines reflect the very delicate balance of interests which was established in Doha and which made the launching of the new round of trade negotiations possible. We attach particular importance to the balance of interests reflected in the deadlines set in Doha. That balance should not be shifted and the Doha mandate should not be changed.

In Doha, we strongly supported the focus on development in this round of negotiations, pointing out that if the multilateral trading system is to maintain and enhance its credibility, it must demonstrate special sensitivity to the special needs and concerns of its less advantaged members. We, therefore, supported the strengthening of the provisions on special and differential treatment, so that they become more precise, effective and operational. We continue to believe that flexibilities and special rights and privileges should be granted only on the basis of objective criteria and economic

indicators. It is also our position that all Members, who fulfil the objective criteria, underlying the differentiation of countries into various categories, can benefit from all special rights, privileges and flexibilities, given to the respective category. It is on the basis of this understanding that Bulgaria is prepared to accept the documents to be adopted by the Conference.

As stated in Doha, Bulgaria undertook extensive market access commitments and it is our understanding that in the present round of negotiations we should benefit from the flexibilities provided for newly acceded Members.

One of the implementation issues to which Bulgaria attaches special importance is the extension of the additional protection for geographical indications under Article 23 of the TRIPS Agreement to all products. We are disappointed that no appropriate solution to this issue was found within the time-frame provided for in the Doha Declaration. The revised Draft Cancún Ministerial Text, presented by the Chairman of the General Council on his own responsibility, does reaffirm the mandate for negotiations on implementation issues in paragraph 12 of the Doha Ministerial Declaration, and expresses renewed determination to find appropriate solutions to these issues. We think, however, that much more could have been done and can be done now, in Cancún. It is our position that the extension of the additional protection for geographical indications to all products must necessarily be part of the final package to be agreed to under the single undertaking as an outcome of this Round of multilateral negotiations.

The area of agriculture, which is considered by many Members as central in the negotiations, is particularly important for my country. This sector, has undergone a process of restructuring and privatization that, combined with a reorientation of external markets, has made it sensitive. In the negotiations on agriculture, we need to ensure a package in which the reductions of tariffs and domestic support to be undertaken would be balanced by improved market access for our own export products. We need to achieve this balance within agriculture and not with other sectors of the negotiations, where we are not demandeurs. We can agree to a framework for establishing modalities in agriculture, if it ensures an overall balance of concessions and sufficient flexibility, including an adequate possibility for request-offer negotiations, negotiated NTC elements, in particular the possibility to negotiate improved market access for products protected by geographical indications, etc. We can, therefore, accept parameters for reduction in a framework for modalities, on the understanding that they are indicative and allow each participant to achieve a balance between his reductions and the specific benefits from improved access to the markets of other participants. Therefore, we do not support a mandatory application of the Swiss formula, mandatory TRQ increases and mandatory reductions of tariffs to zero.

Regarding domestic support, we do not support cappings of the Green Box and reductions from base levels for the Blue Box or for a combination of boxes. In our view, such reductions can put some Members in a more disadvantaged position than others. We are of the opinion that if some participants are allowed to use an instrument such as the Blue Box, others too should be allowed to use this instrument, even though they may not have been able to do so before. Reductions of the *de minimis* levels are not acceptable for us.

On non-agricultural market access, we consider the combined proposal of the European Union, Canada and the USA as reflected in the Draft Ministerial Text as an acceptable basis to continue work.

We support the position of the European Union that investment, competition, trade facilitation and transparency in government procurement should be in the focus of the present Round of negotiations and we hope that in Cancún positive solutions will be reached so that negotiations can commence on these issues as foreseen in Doha.

We also hope that it would be possible to find appropriate ways to make progress on all other issues under the work programme of the Doha Development Agenda, which would enable us to continue and intensify work in Geneva and conclude successfully this Round of negotiations, as foreseen, by the end of 2004.

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