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APEC MINISTERIAL STATEMENT

Statement circulated by the Honourable Dato' Seri Rafidah Aziz,
Minister of International Trade and Industry of Malaysia,
on behalf of Ministers responsible for Trade from the
Asia Pacific Economic Cooperation Forum

Ministers from the Asia Pacific Economic Cooperation economies would like to extend congratulations on the achievements made by the World Trade Organization and its precursor the GATT over the past 50 years. The prosperity of the APEC region has, in large part, been a consequence of the relatively open multilateral trading system created by the GATT.

At their most recent meeting in Vancouver in November 1997 APEC Ministers reaffirmed the primacy of an open, rules-based multilateral trading system under the WTO and their intention to continue to pursue APEC initiatives that support work in the WTO. In this context they reiterated their support for the prompt accession to the WTO of applicants in accordance with WTO rules and based on effective market access commitments with a view to achieving universality of WTO membership.

Ministers reiterated the importance of implementing fully all existing WTO commitments as a foundation for further multilateral trade liberalization, particularly through fulfilment of the built-in agenda of the WTO according to agreed timetables. They agreed that the second WTO Ministerial Conference would provide a timely opportunity to take stock of progress in the implementation of existing commitments and the built-in agenda and to provide instructions to WTO bodies on the work necessary to prepare a substantive agenda for the third WTO Ministerial Conference with a view to pursuing further broad-based multilateral market access and other liberalization.

APEC Ministers are firmly of the view that continued trade and investment liberalization is essential to economic growth. It is part of the solution, complementing resolute actions by the global community and international financial institutions, to overcome the economic crisis which has struck the Asian region over the past year or so. The APEC approach is to couple continued liberalization, on the basis of voluntarism and flexibility, with capacity building measures to enhance the ability of APEC member economies to adjust to, and benefit from, the liberalization process. APEC Ministers believe, therefore, that further broad-based multilateral market access and other liberalization would both encourage further economic growth and counter any trends towards protectionism wherever these might emerge.

APEC's work programme is focused on the pursuit of initiatives which can complement and support the multilateral trading system. While stressing our commitment to comprehensive liberalization as stated in the Osaka Action Agenda, APEC's work on early voluntary sectoral liberalization is very

much seen in this light. Trade liberalization under the early voluntary sectoral liberalization initiative is complemented by trade facilitation and economic and technical cooperation activities. Once the initiative is developed further at the APEC Trade Ministers Meeting in Kuching in June it would be, where appropriate, opened to wider participation through work in the WTO.

APEC's work in areas such as competition policy, regulatory reform, government procurement and trade facilitation might likewise contribute to future work in these areas. As tariffs and other border measures continue to be liberalized it is increasingly important to pursue initiatives which encourage the removal of regulatory and administrative impediments behind the border if the full benefits of trade liberalization are to be achieved.
