

WORLD TRADE ORGANIZATION

WT/MIN(99)/ST/130
2 December 1999

(99-5368)

MINISTERIAL CONFERENCE
Third Session
Seattle, 30 November - 3 December 1999

Original: French

PORTUGAL

Statement by H.E. Mr. Joaquim Pina Moura Minister for Finance and the Economy

We are now living in a global economy. Greater freedom in the trading of goods and services, technological changes, freer movement of capital and investment and the expansion of transnational corporations have transformed the nature of international relations from the economic, cultural and social, and even the political point of view.

This situation poses several challenges in terms of opportunities and risks for our economies and societies. Consequently, the World Trade Organization is now at the most crucial point since its inception.

Today we have the opportunity to lay the foundations for stronger, more transparent and predictable world economic relations in the years to come.

If the WTO is to retain its importance it must be seen by the public as part of the solution and not the problem itself. Continuous information on the work being done, a clear presentation of the objectives and greater transparency have become essential in order to support an open and non-discriminatory multilateral trading system.

It is our duty to seize this opportunity.

The WTO must respond to the changes in international economic relations, especially with respect to the increased importance of investment and international competition conditions. It must also play its part in responding to the legitimate concerns of our fellow citizens on matters such as environmental protection, consumer protection, food security, product quality and the relation between international trade and social standards.

We must move ahead, in a non-confrontational manner, bearing in mind that our decisions will mark the start of a process and not the conclusion of negotiations.

We also need to reduce customs duties, especially tariff peaks to broaden market access, extend national treatment to our service enterprises, and provide more effective protection of intellectual property, especially appellations of origin.

These objectives must also include strengthening and broadening the Marrakesh system of rules by commencing negotiations on investment and competition as a clear indication of the will to strengthen the multilateral system - the regulator of globalization.

Against this background, I wish to state clearly that Portugal and Europe will not accept any renegotiation of the Marrakesh Agreements, which were freely adhered to by all the countries that participated in the Uruguay Round.

I should like to point to the Agreement on Textiles and Clothing in this connection. That Agreement was a key element in the balance of the Marrakesh overall package. Upsetting this balance would shake the very foundations of the Organization's credibility and would fuel the mistrust of economic players and workers. The WTO must ensure trade predictability and not bring instability to trade and investment.

One last word on agriculture. The successive reforms of the Common Agricultural Policy have contributed to fairer world trade, based on the principle of progressive liberalization adopted during the Uruguay Round. The rural areas, economic and social cohesion and the environment are things that must be properly protected.

Portugal supports more favourable treatment for developing countries. In particular, we endorse the tariff initiative in favour of the least-developed countries and the strengthening of technical assistance. We are willing to discuss other options in future in view of the development disparities among developing countries.

The imperative need for more balanced development that takes account of the increasing competitiveness of countries and enterprises and creates jobs and fosters cohesion is a challenge that will have to be overcome during this millennium, and the European Union now stands better prepared for it.

In a few days, Portugal will be taking up the Presidency of the Council of the European Union, which, with the introduction of the euro and the establishment of the European single market, shoulders greater responsibilities in building a more open, fair and effective economic system, one which responds to the requirements of economic and social development.

We must ensure that a maximum of the world's citizens, but especially those of developing countries, enjoy a better life in the 21st century.

The WTO Member States have special responsibilities and face challenges to be overcome in this regard.
