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## INDIA

### Statement by H.E. Mr. Murasoli Maran Minister of Commerce and Industry

I would like to convey our deep appreciation to the Government of the United States, the authorities of the State of Washington and the Seattle Host Organization for hosting this Third Ministerial Conference of the World Trade Organization.

The preparatory process leading up to this Conference has been both protracted as well as intensive. A transparent and constructive process should enable us to arrive at a satisfactory outcome.

Our assessment has all along been that the Uruguay Round Agreements have not served all the membership well. There are critical gaps that need to be urgently addressed.

Asymmetries and inequities in several of the agreements including those relating to anti-dumping, subsidies, intellectual property, TRIMs and the non-realization of expected benefits from agreements such as textiles and agriculture during implementation have been a matter of great concern. The special and differential treatment clauses have remained virtually inoperative. The textile sector has thus far witnessed a mere 4 per cent of integration of the restrained items by the developed countries. Even in areas, where developing countries began to acquire trade competitiveness, anti-dumping or subsidy investigations have been initiated in increasing numbers. The TRIPS Agreement places the rights of a patent holder on a higher pedestal than obligations. However, it does not confer corresponding rights to countries or indigenous communities whose bio-resources or traditional knowledge are put to use.

It is for these reasons that many developing countries have highlighted implementational issues and concerns. While some developed countries have admitted the validity of many of these concerns, some have avoided substantive engagement in finding solutions on the plea that these would involve a re-negotiation of the agreements. This is a disturbing signal. Addressing the implementation issues effectively upfront will alone ensure an image of fairness and equity to the WTO.

We are committed to a strengthened, rule-based, non-discriminatory multilateral trading system which is fair and equitable. The central theme of any negotiations should be to focus on all-round development capable of eradicating poverty. Economic integration cannot advance if the interests of the poor are left behind.

We believe that trade negotiations should concentrate on core issues of market access ensuring smooth flow of trade based on the principle of equity. Similarly, given the emerging prospects, we should examine the constructive role that the e-commerce and information technology can play in our development process. Regarding agriculture sector, the developed countries should eliminate export subsidies and other trade distortive support. At the same time, future negotiations in

agriculture must not in any way limit the flexibility of large rural agrarian economies to support and protect their domestic production as well as achieve the objectives of food security and rural employment.

I would like to also add that we are opening up our economy to foreign investment in a transparent manner and we are committed to progressive economic reforms and liberalization in our own interest and according to our own judgement and pace. We do not, however, subscribe to the view that a multilateral framework on investment is either necessary or desirable.

Much has been said about inclusion of non-trade issues such as environment and labour standards on the WTO agenda. India is second to none in its commitment towards environmental protection and sustainable development. The very ethos of India's culture and history is not only to respect but also to worship nature. The issue here, however, is different. The multilateral trading system has been designed to deal with issues involving trade and trade alone. India in good faith had agreed at Marrakesh to the establishment of a WTO Committee on Trade and Environment. We would, however, strongly oppose any attempt to either change the Committee's structure or mandate which can be used for legitimizing unilateral trade restrictive measures. Attempts aimed at inclusion of environmental issues in future negotiations go beyond the competence of the multilateral trading system and have the potential to open the floodgates of protectionism.

On the issue of labour, India is fully committed to observance of labour standards and has ratified most ILO conventions. We also cherish all the values of democracy, workers' rights and good governance. These issues however are not under the purview of the WTO. At Singapore, we decided once and for all, that labour-related issues rightly belong to the ILO. India resolutely rejects renewed attempts to introduce these in the WTO in one form or another. Any further move will cause deep divisions and distrust that can only harm the formation of a consensus on our future work programme.

The international civil society has shown keen interest in the activities of the WTO. While they have a vital role to play in any democratic polity, it is really for national governments to deal with civil society within their domestic domain. This responsibility cannot be and should not be transferred to the WTO. What we can and should do is to spread greater global awareness about WTO's activities.

Let me conclude by saying that this meeting should steer WTO in the direction of greater equity and balance and to set ourselves a positive, achievable and trade-related agenda, which will usher in greater prosperity for all of us. Only if our approach is development-centric, can our work programme act as a facilitator for accelerated growth of developing countries. Therefore, every step we take in the direction of trade liberalization should ensure rewards in the form of larger markets and greater trade-flows for all – let the welfare gains benefit everyone in the planet and not a mere fortunate few.

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