

## ORGANIZATION

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## MINISTERIAL CONFERENCE

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EGYPT

Statement by H.E. Dr. Ahmed A. Gouicli,  
Minister of Trade and Supply

I would like to start my statement by acknowledging that the Second Ministerial Conference acquires special importance, not only because it coincides with the 50th Anniversary of the multilateral trading system (MTS), but because it is a good opportunity for the assessment of the implementation of the Agreements under the World Trade Organization (WTO) since its entry into force in January 1995. In this context, we strongly believe that the full implementation of these Agreements is a necessity to ensure the credibility and the effectiveness of the multilateral trading system, as well as guaranteeing the integration of the developing countries in this system and avoiding their marginalization.

When we negotiated the Uruguay Round Agreements, signed in Marrakesh in 1994, it was our conviction that the full and faithful implementation of those Agreements is the only guarantee for maintaining and further enhancing confidence in the multilateral trading system; this fact was again emphasized in the Singapore Conference in 1996 which stressed the high priority of the effective implementation of the WTO Agreements in a manner consistent with the goal of trade liberalization.

After almost three and a half years of implementation, the question which imposes itself is: "Does the implementation process satisfactorily meet our expectations?" Unfortunately the answer is still difficult to be yes for many reasons:

- The abuse and unjustifiable recourse to anti-dumping measures by certain countries which negatively affect our exports;
- the remarkable use of technical regulations and standards as well as sanitary and phytosanitary measures in such a manner that constitutes barriers hindering the flow of our exports;
- the process of integration as provided for in the Agreement on Textiles and Clothing proved to be modest in terms of its effect to the liberalization of this sector and increasing the exports of articles of interest to us. This is in addition to the increasing tendency to the use of safeguards and anti-dumping measures against the exports of these items. It is worth noting also that the changing of the rules of origin and modifications in customs procedures as well as administrative practices have also disrupted access under this Agreement;
- the non-application of the provisions of the "Marrakesh Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net-Food Importing Developing Countries", and the absence of sufficient measures pursued by developed countries, Food Aid Convention and donors, have contributed to further increase the burden of the negative effects of this programme represented in higher import bills of basic foodstuffs for those countries;

the modest implementation of the special and differential provisions in favour of developing countries as provided in the WTO Agreements.

In this context, we would like to request that a separate part of the WTO annual report be devoted to follow up the status of the process of implementation in all areas under WTO with a view to assessing the difficulties and propose the recommendations for remedies.

Allow me now to touch upon some other important areas of interest to us, we look upon transitional periods and the enhancement of technical and financial assistance not only as vital and important elements to enable optimum implementation of the obligations under various WTO Agreements, but also to ensure the balance between the rights and obligations under those Agreements.

The review of the WTO Agreements must take into consideration the special and differential treatment in favour of developing countries as well as technology transfer as a vital element for development.

As regards the issue of trade and environment, we believe that its importance dictates further in-depth examination and analysis with a view of achieving objective of sustainable development, as called for in Agenda 21. We note the work done under the WTO Committee on Trade and Environment and the need of balance in addressing all issues under its work programme in particular the market access cluster issues which should be the core and the focal point of its deliberations.

It is not deniable that eco-labelling programmes and schemes can help in achieving consumer protection. However, we believe that they could adversely affect the exports of countries not in a position to meet the requirements of these programmes. It is our firm belief that international cooperation is the best solution to face environmental problems, and unilateral actions, extraterritorial measures, and trade sanctions will not help in solving environmental problems, rather it will create tensions and trade conflicts. Positive measures such as technical and financial assistance as well as transfer of sound technologies are crucial vehicles which could help us in adapting ourselves to pursue the environmental requirements and achieve their objectives.

As far as trade in services is concerned, Egypt is actively participating in the ongoing work in all areas under discussion in the WTO, Egypt submitted its improved offer in financial services, and is following with satisfaction the work under way in the area of professional services, the accomplishment of guidelines for mutual recognition agreements, and the expected agreement on disciplines. At the same time, we hope that the negotiations on the emergency safeguards can successfully be completed in its time-frame in view of the importance of this mechanism as a safety valve. We would also like to affirm that one of the most important sectors of our interest is the movement of natural persons, an area in which we have comparative advantage. Meanwhile, we do not benefit from the commitment made by developed countries under this sector due to their linkage with commercial presence or the unaffordable conditions accompanying those commitments. Therefore this area needs a constructive response on the part of developed countries in future negotiations to compensate the missed balance in the General Agreement on Trade in Services.

As regards the future work in the WTO, we believe that our concentration should be on the issues under the built-in agenda (BIA) covering a number of agreements. The educative and exploratory process should continue in WTO, UNCTAD and relevant fora regarding subjects embodied in the Singapore Declaration in the areas of trade and investment, competition, transparency in government procurement and trade facilitation without prejudging whether negotiations will be initiated in the future.

Due to the fact that the vast majority of developing countries have export interest limited to certain sectors, we advocate that any upcoming trade negotiations take the form of sectoral ones. At

the same time, we believe that the next Ministerial Conference should take place in the year 2000, taking into consideration the limitation of human and financial resources of the developing countries and in order to provide enough time for the complete implementation of the present Agreements, and to fulfil the obligations under the built-in agenda.

Concerning the new work programme entrusted to WTO in Singapore, and with regard to trade and investment, the educational work in the WTO should emphasize interests and concerns of developing countries as recipient parties to the foreign direct investment which is essential to supplement domestic savings in order to strengthen the production bases and export capacities and help their integration in the world economy.

As regards trade and competition policy, it is our firm belief that fair competition and prevention of anti-competitive practices is a precondition for the multilateral trading system, and that national laws on competition are necessary at the national level which should be complemented by the international cooperation to curb monopolistic practices at the international level. The WTO working group should analyse the impact of anti-competitive practices on growth and economic development. We believe that the United Nations Set on Multilaterally Agreed Principles and Rules for the Control of Restrictive Business Practices is a good basis for shaping any disciplines in this respect.

With regard to trade facilitation. We acknowledge the importance of the simplification and coordination of trade procedures as a vital element to reduce cost and time of trade transactions, we strongly believe that exploratory and analytical work should continue to determine the added value that the WTO can present in this concern, making use of the work by other fora in particular UNCTAD, in addition to the recommendations of the UN Symposium on Trade Efficiency. We believe that completing the unfinished work in some of the WTO Agreements could enhance the achievement of the objectives of trade facilitation.

In this context we recognize electronic commerce as an undeniable phenomenon which needs further in-depth study and analysis to determine its definition, scope, implications, benefits, legal aspects, as well as the relationship between electronic commerce and the provisions of the Agreements under WTO, taking into consideration the developmental dimensions and limitations of capabilities of Egypt as a developing country to effective participation in this field.

Egypt welcomes the convening of the High-Level Meeting on Integrated Initiations for Least-Developed Countries in October 1997, and emphasizes the importance of the continuous follow-up of the pledges made by certain Members to meet the urgent needs of LDCs. In this regard, we commend the offers presented by some developing countries including Egypt taking into consideration the limited capabilities of these countries. We also call for developed countries to make meaningful commitments to LDCs covering them all.

Before concluding, there are two important issues which should be highlighted due to their close relationship with the structure and future of the multilateral trading system. The first is the increasing tendency towards the regional trade arrangements, we acknowledge the importance of those arrangements as long as they are compatible with the multilateral trading system and enhance the flow of international trade. However, we believe that this process should take into consideration that regionalism is not an alternative to the multilateral system.

The second is concerning the accession process to the WTO and its importance for achieving the universality of MTS through facilitating this process and ensuring the speedy, smooth, and transparent procedures avoiding discrimination against new applicants in terms of imposing additional obligations to which existing Members are not committed.

At the same time, we would like to reaffirm our clear position regarding any new conditionality or protectionist initiative such as labour standards, rejecting any linkage between trade and these standards, this issue is under the mandate of the ILO.

Let me conclude by confirming that as long as there is good faith and political will to serve "MTS" in order to achieve its objectives, this system will allow all participants to gain its fruits and benefits as an equitable mechanism based on openness and transparency.

Finally, I would like to extend our thanks and appreciation to the Swiss Government for its hospitality and the well-organized work which helped to the successfulness of such important events.

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ORGANIZATION OF AFRICAN UNITY/  
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Joint Statement Circulated by Ministers of Trade

As Ministers responsible for international trade matters in African countries, recalling our meeting in Harare, Zimbabwe from 8 to 9 April 1998, we jointly make the following statement on the occasion of the 2nd Ministerial Conference of the World Trade Organization (WTO):

1. We reaffirm the importance of the multilateral trading system, now institutionalized by the WTO, as a necessary framework for the beneficial conduct of international trade relations. Noting that the 2nd Ministerial Conference of the WTO takes place on the occasion of the 50th Anniversary of the multilateral trading system, we recall the noble objectives of the system of achieving higher living standards, and growth in production and trade in Member countries, according to their needs and different levels of economic development.
2. While acknowledging the system's contribution over the past 50 years to economic growth, we reaffirm the importance of a non-discriminatory, open, fair and equitable multilateral trading system (MTS). We recognize that the MTS presents many opportunities and challenges to developing countries. However, the declining share of African countries in international trade is a matter of grave concern. We also note with concern the continuing inequities in the distribution of benefits of the MTS among countries and regions. Consequently, we should reassess the performance of the system and our experiences in the last 50 years.
3. In particular, we bring to the 2nd Session of the WTO Ministerial Conference our heightened concern at the fact that our continent continues to be bypassed with regard to the benefits of the remarkable growth and greater global economic integration of recent years, and hence continues to experience marginalization from the global economy.
4. In addition to our own domestic efforts at effecting growth-oriented economic changes and pursuing meaningful integration into the global economy, we call for further integrated multilateral initiatives aimed at arresting the marginalization of our continent and at ensuring that our countries share equitably in the benefits of the system.
5. In this connection, we welcome the integrated initiative for least-developed countries adopted at last October's High Level Meeting (HLM) held pursuant to the decision taken at the WTO's First Ministerial Conference in Singapore in 1996. We call for the effective implementation of the results of the HLM.

6. We commend the steps by several WTO Members, including the more advanced developing countries, in announcing autonomous market access offers to least-developed countries in the framework of the HLM on Integrated initiatives for least-developed countries' trade development.

7. However, the market access offers that were made during the HLM were autonomous and non-contractual. Moreover, these offers require evaluation to determine the net effect on LDCs, individually and collectively.

8. We draw attention to the all but forgotten proposal of the Director-General of the WTO for duty-free treatment of products originating from LDCs. We urge the full implementation of this proposal. In this context, we welcome the report of the Director-General on the outcome of the HLM and follow-up to the integrated initiative.

9. Recalling that 33 out of the 48 least developed countries are in Africa, we attach great importance to appropriate follow-up to the UNCTAD, WTO and ITC integrated initiative, including the provision of adequate budgetary and extra-budgetary financial resources for this purpose.

10. We further call for the following:

- The extension of the results of the HLM and the Integrated Initiative to all African countries;
- the provision of focused technical assistance to help African countries overcome their difficulties in implementing their obligations and exercising their rights in terms of the WTO Agreement;
- increased market access in areas of specific export interest to African countries; and
- measures to deal decisively with country-specific situations including - small and remote island economies, land-locked economies, low-income indebted countries and subregional constraints to supply response to improved market access.

11. We reaffirm our commitment to the achievement of the universality of the MTS as soon as possible. The rapid accession of countries seeking to become WTO members through a transparent process, will contribute to the achievement to this goal. The terms of accession of these countries should be in accordance with WTO rules, in particular the provisions related to special and differential treatment to developing countries in the MTS.

12. While we reaffirm our commitment to the multilateral trading system, we reassert the important role played by regional trading arrangements, particularly in our continent, in increasing our trade and hence promoting our integration into the global economy and multilateral trading system.

13. In this connection, we recall that the rules and disciplines of the multilateral trading system contained vital provisions in respect of regional trade arrangements among developing countries. We underscore the importance we continue to attach to these provisions which will remain necessary in enabling greater and beneficial integration of our countries in the global economy and multilateral trading system.

14. We stress that full and effective implementation of the multilateral trade agreements and ministerial decisions under the WTO is critical to realizing the objectives of the multilateral trading system.

15. Whilst remaining committed to implementing our multilateral trade obligations, we underscore the difficulties we face in effecting the adjustments to our economies and policies required by these obligations. In particular, the institutions and human resources for trade administration in our countries have been severely stretched by the demands of implementing our obligations and exercising our rights in the multilateral trading system.

16. We are particularly concerned that the implementation of many of the vital provisions in favour of developing and least-developed countries in the various Agreements and Ministerial Decisions embodied in the Final Act of the Uruguay Round - such as the Decision on Measures concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net-Food Importing Developing Countries are either slow or remain to be effected.

17. We are equally concerned at the abuse of trade measures in such areas as anti-dumping, technical barriers, sanitary and phytosanitary measures, and the environment.

18. While commending the commitment to expanding and strengthening the multilateral trading system by those of our countries that participated in the negotiations on basic telecommunications and financial services in the framework of the General Agreement on Trade in Services, we also note with concern that our countries are yet to realize the benefits from the liberalization of trade in services.

19. We are further concerned about the weakness of Africa's participation in the WTO's policy-making processes and at the inadequacy of its representation in the WTO's management structures.

20. We are further concerned that our continental organization, the Organization of African Unity/African Economic Community (OAU/AEC), has not been granted observer status in WTO bodies as yet. In view of the economic mandate of our Organization and its key role in advocacy, technical backstopping, facilitating information sharing among African countries not represented in Geneva, and in coordinating our responses to trade policy matters, we call on the Ministerial Conference to take a speedy decision to resolve this matter.

21. As the WTO maps our future activities, it is imperative that completing the implementation of commitments under the Uruguay Round Final Act, particularly those provisions in favour of our countries and other developing and least-developed countries be the central priority of our work.

22. In this connection, an important part of the preparatory process for future activities we shall launch during the 2nd Ministerial Conference should be the undertaking of a comprehensive review of implementation, with a view to making recommendations at the next session of the Conference on how the gains anticipated by the Uruguay Round Agreements, especially in favour of our countries, can be realized.

23. We continue to attach great importance to the objective of sustained economic growth and sustainable development which must cut across all the WTO Agreements and rules. In this connection, we note the deepening of work in the WTO Committee on Trade and Environment and support the expeditious fulfilment of the Committee's mandate. However, we remain opposed to all forms of protectionism under the guise of environmental protection.

24. We recognize that the rapid pace of global economic integration intensifies the need to ensure that the multilateral trading system evolves in a coherent framework which more effectively reflects the interdependence between international trade, money and finance, while responding to the imperative of reversing marginalization and achieving economic development in our countries. In this regard, we attach a great importance to the regional economic integration process.

25. We note that we meet at a time when the economies of a number of WTO Members are experiencing difficulties due to volatilities in financial and capital markets. This development, in addition to the persistence of the foreign debt problem and instabilities in commodity markets which continue to hamper stable and sustained growth in our economies, underscores the continued shortcomings in the global economy.

26. This underscores the imperative to give impetus to the implementation of the Marrakesh Declaration on the Contribution of the WTO to Achieving Greater Coherence in Global Economic Policymaking.

27. The problem of continued marginalization and the need for full and effective integration of our economies in the multilateral trading system, makes it imperative that the development dimension and the principle of special and differential treatment of developing countries continue to be upheld in future negotiations and reviews, both as mandated in existing WTO Agreements, and as may be required to enhance the development prospects of developing countries.

28. As the global and multilateral trading system enters the 21st century, the test of its success will be its ability to meaningfully integrate our countries in a manner responsive to the vulnerabilities of our economies and our development needs.



## Attachment 3

### التوصيات

إن المشاركين في الاجتماع العربي رابع المستوى للتحضير للمؤتمر الوزاري الثلاثي للمنظمة العالمية للتجارة الذي عقد في مقر الامسكوا في بيروت يومي ٢٣ و ٢٤ أبريل ١٩٩٨ ، يتوجهون بالشكر الى UNCTAD/UNDP/ESCWA لتنظيم هذا الاجتماع الذي انعقد في التوقيت المناسب عشية المؤتمر الوزاري الثلاثي للمنظمة العالمية للتجارة المقرر عقده في جنيف في ١٨-٢٠ مايو ١٩٩٨ ، وهو توقيت يمثل نقطة تحول ومرحلة انتقالية بين المؤتمر الوزاري الاول الذي عقد في ميفانغفورة في ديسمبر ١٩٩٦ والمؤتمر الوزاري الثالث لتأكيد تنفيذ إتفاقيات جولة اورو-جواي، وما تم إتخاذه لرفعها من قرارات وكذلك لمراجعة مدى التقدم لها فريده للمؤتمر الوزاري الاول للمنظمة العالمية للتجارة قبل الدخول في أي مفاوضات جديدة في إطار برنامج العمل للمستقبل .

وإذ يذكرون بالتقدير ما يقدم من معونات تقنية ودعم مستمر من برنامج الأمم المتحدة الإنمائي والاكتناد والامسكوا وغيرها في مجال الموضوعات المطروحة في المنظمة العالمية للتجارة .

وتجولياً مع الحاجة الملحة والملمعة على المستوى العربي لاقتوى المشورة والتسيق وتبادل الرأي وإعداد الدراسات وتقديم الدعم الفني للمفاوض العربي في كل ما يتعلق بالمنظمة العالمية للتجارة وعلاقة الدول العربية معها والعلامة البيئية العربية في ظلها ويشكل خاص في مجال مفاوضات الانضمام لعضوية المنظمة وعملية المفاوضات الحالية والمقبلة والمستمرة في إطار المنظمة ، يوصي المشاركون بتكليف فريق عمل من الخبراء يعهد إليه بالتنسيق وتبادل وجهات النظر حول اقتراح الصيغة المتنامية لتتفق هذه الأهداف بالتنسيق مع الاكتناد وبرنامج الأمم المتحدة الإنمائي والمنظمة العالمية للتجارة والمركز الدولي للتجارة ، وغيرها من المؤسسات العربية والدولية ذات الصلة ، بما في ذلك تقديم المعلومات وخبرة الدول الأخرى في مفاوضاتها الصلوة مع المنظمة .

ومن بين ما يكلف به فريق العمل من الخبراء المساعدة من الناحية الفنية في بلورة وتقديم ما يتم تقديمه من إكراهات في المنظمة العالمية للتجارة للتعرف على إجراءاتها وسليبتها في إطار التزاماتها الاتفاقية وبما يتوافق مع إعمالها في النظام التجاري والاقتصادي الدولي ، ومساعدة الدول العربية التي ترغب في الانضمام إلى المنظمة العالمية للتجارة على تحقيق هذا الانضمام بتأمين الشروط التي تضمنت على أساسها الدول الأعضاء لدى دخول اتفاقية المنظمة حيز النفاذ ، وضرورة استئثار إضمار للدول الجديدة في معايير موحدة بدون تمييز .

كما يقوم فريق العمل بالمساعدة في بلورة الوظائف العربية لتنفيذ الاتفاقية التي يبتعدت عن جولة لوروجواي تليداً أميناً وكاملاً وفلاي تهميش الدول العربية ضمن باقي الدول للذامية في النظام التجاري الدولي ، وتخطي الصعوبات التي تولجها تلك الدول في تنفيذ مختلف الاتفاقيات والإحكام التي تضمنها للمنظمة ، وإعداد مفاوضات من المفاوضات التجارية التي سوف تعقد في التواريخ المعدة في إطار الأجنحة للمستقبلية للمنظمة Bull in Agenda وفي إعداد جدول أعمال المؤتمر للوزاري الثالث للمنظمة العالمية للتجارة بما في ذلك إقترح مرفق موحدة - كلما أمكن ذلك - من أي موضوعات جديدة قد يطرحها أي من للشركاء التجاريين على أجنحة ذلك المؤتمر .

ويقتضى المشركون في هذا الاجتماع هذه الفرصة للتأكيد على الأهمية التي توليها الدول العربية لكي يضمن النظم التجاري العالمي الانسجام لتكامل لجميع الدول للذامية بما فيها الدول العربية وتحقيق التوازن فيما بين حقوقها والتزاماتها في جميع الاتفاقيات ، والتأكيد على ضرورة مواصلة هذا النظام مع الاعتبارات المالية والتقنية مع مراعاة للبعد التنموي لكي تلعب دورها الأساسي في رفع مستوى المعيشة لشعوب دول المنطقة .

وتقديرًا للرعاية والضيافة الكريمة التي حظي بها الاجتماع لقرار توجيه الشكر للجهات التي قبلت بتثابته هذا المؤتمر وعلى ما تقدمته لإجلاجه واستضافة اللجنة الاقتصادية والاجتماعية لغرب آسيا ( الأسيك ) له ، وإلى لبنان ، هذا البلد العربي العزيز ومهمة وحكومة وشعباً وإصدار هذا القرار باسم منظمة بيروت .

بيروت ( مقر الأسيك - مبنى الأمم المتحدة ) يوم الجمعة ٢٤ أبريل ١٩٩٨ .