

# WORLD TRADE ORGANIZATION

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**MINISTERIAL CONFERENCE**  
**Fourth Session**  
**Doha, 9 - 13 November 2001**

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## VENEZUELA

Statement by H.E. Dr Luisa Romero Bermudez  
Minister of Production and Commerce

### **The need to review the multilateral trading system**

1. This Conference is taking place at a time when the global economy is in an unusual situation, when the industrialized countries all appear to be in the grip of a recession and when many developing countries are evaluating what they have gained from the liberalization of trade in support of their development, the well-being of their peoples, poverty reduction, the diversification and strengthening of their production sector and growth in their trade. This is the context in which Venezuela emphasizes once again the basic main elements of its concern and its position on the multilateral trading system, the latter's future and its impact on the well-being of our peoples, which has already been expressed in other forums such as the Seattle Conference.
2. This could be the time to ask ourselves what we expect from the multilateral trading system from the development perspective so that we can assess the challenges it raises for Members of the WTO. To summarize, in practical terms, this is a valuable opportunity to undertake an objective evaluation of the results achieved under the Uruguay Round Agreements.
3. For Venezuela, participation in this Fourth Ministerial Conference is particularly significant because we are involved in building a new project for our country with a view to more beneficial integration in the global economy based on diversification of our production sector in a world that we would like to see multipolar, with a more balanced and equitable system of economic relations. Our message today outlines this perspective and gives our vision of development, trade and the liberalization process; it also explains Venezuela's position on the main topics to be covered at this Meeting.
4. Many countries welcomed the liberalization of trade, especially after the Uruguay Round, with the legitimate expectation of participating in its benefits. Nevertheless, the benefits obtained by the majority of developing countries have been slender in comparison with their expectations, despite the great sacrifices they have made to adapt their economies and observe the commitments and disciplines, and despite the efforts they have made to gain greater access to global markets.
5. The international community must be aware of the great efforts made by many countries to adapt to the rules of the WTO, but there has been little evidence that this effort has yielded trade benefits that are satisfactory in terms of their economic development needs, equity and real improvements for their peoples.
6. These considerations lead us to suggest that it is time to review the process of liberalizing the global economy from a broad perspective. The purpose is not to turn aside from the process, as it can be useful, but rather to put right its defects, to perfect it and to make it into a genuine catalyst for

development, in terms of social impact and not only growth in trade. This process should allow our countries to participate effectively in the benefits of trade, changing the multilateral system into a practical tool for the fulfilment of the economic, social and political aspirations of all societies in the world.

### **Practical expression of the development dimension in the agreements and negotiations**

7. The aim of our efforts towards the international integration of our economies should be the development and well-being of our peoples and, consequently, the trade liberalization process should be evaluated in terms of its aptitude to contribute towards the objectives fixed. We stress that the future progress of the multilateral trading system should not only seek to liberalize trade. It is not enough to increase the trade of developing countries, they also need to be helped to diversify their production, give their exports added value, strengthen technology, maximize trade's impact on well-being and employment, and what is lacking in particular is the willingness of industrialized countries to establish genuine mechanisms to open up access to their markets. These objectives cannot be achieved through liberalization alone and the multilateral trading system cannot help to achieve them if in the future its objective is simply liberalization *per se* without including effective and concrete provisions, rules and mechanisms to promote these objectives and to consolidate the economic and social development of the countries.

8. From this standpoint, we can only justify extending the WTO negotiations beyond the mandates in the "built-in agenda" that was the outcome of Marrakesh if they really include the dimension outlined in these objectives in the form of rules and provisions.

9. This is how we see the development dimension so often mentioned, which must serve as a framework and a guide to the future progress of the multilateral trading system, its negotiations and the implementation of its disciplines. In other words, the development dimension described must become an effective part of the system. This can only be achieved through priority action and commitments in three areas.

10. On the one hand, one result of this Conference should be to provide a firm commitment to finding effective solutions to the implementation problems inherent in certain Uruguay Round

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25. For the same reasons, as regards the proposal on initiating market access negotiations for non-agricultural products, in principle Venezuela could support such negotiations to the extent that they effectively recognize that special and differential treatment for developing countries should be re-evaluated so that the final agreement gives these countries sufficient flexibility as regards policies, preferences during the transition periods, and also tariff reductions based on the bound levels. In addition, Venezuela proposes that the negotiations should give priority to eliminating tariff peaks and escalation that affect products with higher value-added from developing countries.

26. Another subject that is closely related to any commitments that might be made on access is the rules on trade facilitation. Venezuela shares the view of many countries regarding the importance of expeditive and efficient procedures at the border which do not nullify the expected effects of the trade liberalization commitments given. Nevertheless, the development of the existing provisions and their transformation into more extensive and specific rules, subject also to the dispute settlement mechanism, would not necessarily support the efforts made by developing countries to modernize their customs services and make them more efficient. On the contrary, it could be counter-productive if the reform process under way in countries such as Venezuela is made subject to outside pressures and requirements that ignore the progressive nature and the limits of such reforms. Consequently, at this Conference, Venezuela could not support the initiation of negotiations on trade facilitation that will lead to rules subject to the Dispute Settlement Body. We can accept the definition of multilateral voluntary schemes, based on cooperation programmes that effectively take into account the needs of developing countries in this respect.

#### **The WTO Dispute Settlement Understanding**

27. Venezuela has directly benefited from the balanced and fair functioning of the WTO's dispute settlement mechanism and considers that the Dispute Settlement Body, which guarantees confidence and predictability, is a fundamental – if not the main – element of a multilateral trading system. This is why we would like to see this Conference adopt a series of amendments to the Understanding that, even though not comprehensive, deal with an essential element of the mechanism, namely the sequencing. We regret that the political will needed to reach a consensus in this respect has not been sufficient, but we shall continue to take part in the revision of the mechanism so that this and other aspects can be essential to the mechanism so that the mechanism can be used to the maximum extent possible. We can accept the definition of

30. If the WTO wishes to be credible in the eyes of the peoples of the world it cannot remain aloof from human development questions. Its role is to include the social development dimension properly in the area of trade.