



MERCOSUR – that is, the gradual opening of markets, the reduction and eventual elimination of subsidies and the removal of trade-distorting domestic support, and the maintenance of special and differential treatment for developing countries. This would enable us to realize the aspiration we had during the Uruguay Round, which remained thwarted as only Article 20 of the Agreement on Agriculture was approved.

We insist that if we accept a classification of small economies, despite denials that this means creating a category, it is in fact the case, landlocked developing countries should be included, for apart from their small economies, they face the critical problem of having to transit across other States to reach the sea, which means extra freight costs that should be taken into account through a reduction of tariffs by importing countries. Moreover, formulas should be found to allow funding agencies, when granting loans for the improvement of transportation and border traffic, to offer better terms, for example lower interest rates for the necessary works, longer time-frames and a reduction in the national contribution.

I am now no less fervent a believer in the advantages of multilateralism in international trade than on 15 April 1994 when I signed the Marrakesh Agreements on behalf of the Republic of Paraguay, but this does not mean that I do not also believe in regional agreements to facilitate trade, open markets, stimulate economic growth in those countries that are similar and traditionally interrelated, such as MERCOSUR, to which we belong.

Regional agreements and bilateral ones amongst similar countries pave the way for multilateralism and also make it possible for trade between those countries to serve as an incentive to produce more and better and to become integrated in world trade. Therefore, even though they may seem to be a negation of multilateralism, they are a first step that plays a meaningful role in making trade a determinant of development and greater well-being.

We are also advocates of special and differential treatment for developing countries, as this is the only way in which the latter can keep pace with the developed countries in international trade. But when this special and differential treatment is accorded by developed countries, without reciprocity, it must come under the rules laid down in the Enabling Clause.

I conclude by expressing the hope that in this meeting of the WTO we will be able, with wisdom and flexibility, to seek an equitable and fair formula that will allow developing countries to reap the benefits that we are all expecting from international trade and that a stronger WTO will emerge from this meeting.

---