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MINISTERIAL CONFERENCE Fifth Session Cancún, 103(e)-**T**T4 1 r**1**4tn(TION)T**3077** -e6n We continue to express our strong expectation that these concerns would be adequately reflected in the new text of framework for modalities.

Second, Georgia is actively involved in tariff negotiations for non-agricultural products. We would seek the adequate compensation and acknowledgement of our excessive commitments and highly liberal tariff structure (total average 7.2 per cent, out of which around 5 per cent for non-agricultural goods). We are glad that some of the Members shared our approach that the countries which have already "paid" should not be taxed again, or should pay less, and therefore the "Swiss formula" of tariff reduction is more fair than a formula independent from initial tariff rate.

We are glad that the Geneva process, in spite of all obstructions and differences on a number of key issues, gives us an example of such an understanding. As a result the position of newly acceded countries on meaningful flexibility provisions has already been reflected in the framework for modalities for market access for non-agricultural products. We hope that this approach will be extended to the agricultural products as well, giving us lower tariff reductions, longer implementation period, right to use exemptions for Special Products and other flexible instruments in order to respond to countries' real developmental needs.

It should also be recognized that Georgia as well as other newly acceded countries are still in the process of fulfilling their accession obligations, and they hardly afford further market liberalization without possibility to carefully evaluate the results of steps already undertaken. As you are well aware, Georgia is not classified in the category of neither developing nor least-developed country, but in real sense, its macroeconomic parameters are much more lower then many WTO developing Members.

We have to remember that this "development" round is not just about "developing countries"; it is about global economic development and global governance. It concerns everyone. Therefore the outputs of this Round should support all member countries' economic development by means of a fair allocation of the burden of obligations undertaken.

Despite all challenges, Georgia does not limit its participation in negotiations by market access issues only. We strongly support establishment of multilateral system of notifications and registration of geographical indications for wines and spirits. We also hope that the Cancún Declaration will give the green light to expand this system to other products as well. Georgia welcomes progress achieved in the field of TRIPS and public health, which on the one hand provides poor countries access to vital medicines and on the other hand gives a clear example of the best compromise.

We believe that Cancún is about the action needed to ensure that commitments and promises made in Doha are respected. Canc

The greatest challenge for the WTO will be to achieve the integration of new Members and developing economies into the multilateral trading system, and more broadly, into the global economy. Against this backdrop all Members should join forces to achieve this goal.

And finally, I would like to congratulate new Members that joined WTO after Doha: Armenia, Macedonia, Nepal and Cambodia, and wish them successful integration into the Organization.

Let me express our thanks and the words of our profound appreciation to the hosts of this Conference, to the Government of Mexico, which have created and provided excellent conditions and facilities for our productive work and fruitful discussions that, we hope, will ultimately ensure the successful accomplishment of our important tasks.