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The World Trade Organization (WTO) will be celebrating the 50th Anniversary of the multilateral trading system during the course of its second Ministerial Conference. It is with great satisfaction and, indeed, with a sense of pride, that the 132 Member countries participating at the Conference will pause to register the progress and to acknowledge the achievements that have been made possible during the last 50 years through the GATT initiative.

Without any doubt, the establishment of the multilateral trading system has made an important contribution towards growth, employment and stability by promoting the liberalization and expansion of trade and by providing a framework for the orderly conduct of international trade relations. The results attained over the past years underline its fundamental importance for the prosperity of the world economy whilst the rapid pace of change and of global economic integration pose formidable challenges for the future.

On this particular occasion it is perhaps appropriate to look at the path we went through over the past 50 years. We also need to look into the future in order to chart a winning strategy that would reflect

There is no doubt that trade liberalization within the WTO rules-based system has facilitated trade on a global basis. World trade statistics prove this. The scope and pace of change in the international economy offer opportunities for improved growth. At the same time, developments outside one's domestic jurisdiction may require adjustments internally, both socially and economically, and there are times

protection of trade-related intellectual property rights. We also see progress being made on the relationship between trade and investment, trade and competition policy and procurement that were launched in Singapore.

The need for the system to accommodate changing realities such as the rise of the information economy and technological advances in transportation, creates unprecedented opportunities as well as challenges of ensuring that the benefits from these new developments are widely spread. The challenges facing governments today and in the future call for concerted action on a variety of fronts. Moreover, new issues such as electronic commerce are increasingly demanding some pro-active response at a multilateral level.

While several negotiations such as on agriculture, services and aspects of intellectual property are already scheduled for the new century, trade issues will continue to move to the centre of debate as trade policy continues to move beyond simple

consensus building negotiation process strictly adhered to. Results achieved to date are encouraging and virtually embrace all sectors of economic activity.

One of the main priorities of the WTO is to continue the momentum towards universal membership of the system. This implies the completion of the accession negotiations currently under way without compromising the system's basic rules, rights and obligations. Within this spirit, the successful accession of new countries is also important to further strengthen the WTO as the body capable of effectively managing a trading system of global proportions and scope. Moreover, another dimension to universality is the need to ensure that all countries have the capacity to participate fully in the global economy.

In this regard, regional agreements have made a positive contribution to the liberalization of world trade. In many cases, regional arrangements have provided stepping stones for integration into the global trading system. Moreover, regional integration has offered countries an opportunity to start resolving issues that would be more difficult to resolve in the wider multilateral context.

This view is supported with the experiences in Malta, particularly with regard to the Association Agreement with the European Union, which accounts for some 80 per cent of Malta's international trade transactions. This does not imply that Malta prefers regionalism *per se*. Indeed, while regionalism can provide an important complement to the multilateral system, it is not its substitute.

As can be expected, the liberalization process in a complex international forum is a laborious one and this is why it must be built on consensus. The impact of decisions taken places significant responsibility on the WTO to ensure that the benefits that should accrue from such an exercise would ultimately serve humanity best. This is a long order, which is clearly difficult to achieve. Furthermore there is an onus trust upon each Member country to safeguard the interests of the least able among its citizens. Members must organize themselves better and restructure according to their needs and capability. They have also the moral obligation to protect the least able of their citizens to be in a position to cope with the extra burdens that emanate from such a process of liberalization.

The WTO can also contribute towards a full partnership of today's least-developed countries in the global economy. Indeed, a number of Member countries are exploring steps that can be taken to increase market access for the least-developed countries by extending existing preference schemes, particularly in areas such as textiles and agriculture. Moreover, one needs to explore ways that would enable least-developed countries to have better access to the continuous advances in information technology.