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Statement Circulated by Mr. Franz Blankart,
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1. Introduction

As we take stock of 50 years of existence of the multilateral trading system, we have to recognize three things: open trade has been a powerful vehicle frame8cle

2. Implementation

Implementation of the WTO Agreements remains the highest priority. The credibility of the multilateral trading system is at stake. The achievements so far are encouraging and bear witness to the resolve of governments to live up to the obligations they have entered into. In the case of Switzerland, doing so has called for many adjustments to Swiss legislation.

The WTO dispute settlement system has worked satisfactorily so far. It will be important to ensure, by complying strictly with the system, that it continues to reflect our unwavering commitment to the WTO rights and obligations.

This positive balance sheet should not disguise the difficulties encountered by the least-developed countries. Already in Marrakesh we decided to support their efforts to become integrated into international trade. The plan of action adopted at Singapore and the recommendations of the High-Level Meeting on least-developed countries were further steps in this direction. What is important now is that these resolutions should be carried into reality, and this applies in particular to the implementation of the integrated framework for trade-related technical assistance and improved market access for products from the LDCs.

In this spirit, Switzerland thoroughly overhauled its tariff preference scheme. Under the new system which came into force on 1 March 1997, LDCs enjoy zero duties on all industrial goods and most agricultural products. Ninety-eight per cent of exports from LDCs now enter the Swiss market duty-free. Furthermore, Switzerland is pursuing a development cooperation policy aimed at promoting the participation of developing and transition economy countries in the multilateral trading system. It recently made available to Missions to the WTO the services of an international trade cooperation and information agency (A.C.I.C.I.), whose purpose is to help the least-developed countries to participate actively in the work of the WTO. Switzerland has also decided to make a contribution of Sw F 1.5 million to funding the technical assistance provided by the WTO, in particular to develop and strengthen activities on behalf of LDCs. It will also continue the support it has provided since 1991 in the form of Sw F 300,000 per year for training courses for Central European and East Asian countries that are candidates for WTO accession.

Implementation also covers the reviews of some WTO Agreements that are under way or already completed (in particular the Agreements on intellectual property, technical barriers to trade and preshipment inspection and the Dispute Settlement Understanding). Progress has certainly been made towards improving the working of these Agreements, but it remains insufficient and we should try to find more far-reaching solutions during the ongoing reviews.

Lastly, an additional effort of awareness-raising and information as to the *raison d'être* and significance of the multilateral trading system is necessary. This must be done by stepping up the dialogue between the public and the WTO and by

For Switzerland, the coming trade negotiations must respond to two needs:

- The need to strengthen the multilateral trading system as embodied by the WTO; and
- the need to guarantee balance among the interests of all WTO Members.

Switzerland considers that no subject can be excluded a priori from the future work. It is ready to work towards a consensus in an open-minded and constructive manner. It will strive to ensure that the multilateral trading system develops along both of its inseparable dimensions: improvement of market access and elaboration of rules and disciplines that are in keeping with

principles of the multilateral trading system to investment and competition policies should be the starting point for WTO work in this area.

Coherence issues

The relationship between **trade and the environment** is one of Switzerland's priority concerns. The objective of sustainable development to which we are all committed calls for coherent practice in terms of trade policies and environmental conservation policies. We deeply regret the fact that the work carried out so far by the WTO has not produced concrete results. Tangible progress remains to be made, especially in order to ensure coherence between the WTO rules and trade provisions of international environmental agreements. Switzerland supports the proposal to hold a high-level meeting on interaction between trade and environment.

Cooperation between the Bretton Woods institutions and the WTO is off to a good start. Nevertheless, this cooperation must be strengthened in order to ensure coherence in **global economic policy making**.

In Singapore, for the first time in the multilateral trading system we proclaimed our commitment to observing **internationally recognized basic labour standards**. At the same time, we rejected the use of labour standards for protectionist purposes. Since then the International Labour Organization (ILO) has undertaken a major series of activities to promote application of these standards. It would now be useful to begin considering, in close cooperation with the ILO, what the WTO's contribution in this field could be.

Regionalism

The rapid development of regional cooperation is adding a new dimension to the management of modern trade relations. The scope and ambitiousness of recent regional initiatives must prompt us to ensure that they are complementary to the multilateral trading system. As a matter of priority we must ensure that regional arrangements do not compromise the rights and obligations of WTO Members.

4. Accessions

The WTO should have the broadest possible geographical base. Future accessions will be on terms that are consistent with the WTO's objectives and that do not undermine the integrity of the multilateral trading system. The WTO should be able to accept new members rapidly and in a way that does not compromise the rights and obligations of existing members.