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Statement Circulated by Mr. Chau Tak Hay,
Secretary for Trade and Industry

1. Few Members' economies are so dependent upon external trade as Hong Kong, China's. The well-founded prosperity resulting from our economic growth over the last 50 years bears vivid testimony to the benefits of the open and non-discriminatory multilateral trading system. Hong Kong, China's own policies, particularly our adherence to the principles of open markets and free trade, have certainly made a major contribution to our economic growth but, without the multilateral trading system, the opportunities to expand trade might have been drastically reduced. We owe a great

be efficiency and transparency without any compromise of the commitment to consensus in decision-making.

6. There is one respect in which the Marrakesh Agreement establishing the WTO has not been fulfilled. We are disappointed that there has not yet been any agreement on the question of the Secretariat. We accord a very high priority to the successful conclusion of the Working Group's remit and look to the formal establishment of the Secretariat by 1 January 1999 at the latest.

7. Overall, given the breath and complexity of the Uruguay Round Agreements, it must be said that we have had relatively few problems over implementation to date. There is cause for some satisfaction, but certainly not complacency. There are still a number of areas where implementation, in our view, has not been entirely satisfactory.

8. We took a major step in introducing multilateral rules on trade in services when we launched the

the 's: in fact 84 per cent. But we also left many gaps and unfinished business. It is very important that we make progress on the many rules issues that are mandated in the GATS: emergency safeguards, subsidies and government procurement. On domestic regulation, the Working Party on Professional Services has made a good start in developing disciplines in accountancy and we hope that it can complete its work on that in the very near future. It can then move on to develop multilateral disciplines for other professional services and a horizontal approach seems the most promising. But there still remains the much broader question of domestic regulation in general

Regional Trade Agreements (RTAs) in recent years. Three quarters of the 91 RTAs currently in place have entered into force in the last four years. It is not surprising that the limited exceptions to the rules for most-favoured nation trade drawn up for RTAs 50 years ago look ill-equipped

20. Depending on progress in the Working Group on the Interaction between Trade and Competition Policy, various inconsistencies between trade and competition rules need to be addressed. The aim should be to develop a coherent framework to ensure the free play of competitive forces in markets, without distortion by governmental measures.

21. In a somewhat similar vein, negotiations on a multilateral agreement on transparency in government procurement, as foreseen at Singapore, should commence as soon as the current study process in the Working Group on Transparency in Government Procurement is complete.

22. We also regard the WTO's current exploratory work on Trade Facilitation as important. Subject to agreement on the need and clarification on the scope for negotiations, we are in principle prepared to support future negotiations.

23. Furthermore, future broad-based negotiations would provide a timely opportunity and context for clarification