

# WORLD TRADE ORGANIZATION

WT/MIN(98)/ST/51

18 May 1998

(98-2034)

**MINISTERIAL CONFERENCE**  
**Second Session**  
**Geneva, 18 and 20 May 1998**

Original: English

## NEPAL

Statement Circulated by the Hon. Chiranjibi Wagle,  
Minister for Commerce  
(As an Observer)

It gives me a great pleasure to address this august meeting. On behalf of the Nepalese delegation and my own, I would first like to appreciate the warm and cordial hospitality accorded to us by the Government of Switzerland. I would also like to thank the organizers for the excellent arrangements made for the Meeting.

I am very happy to note that the WTO system emphasises universal membership without compromising the system's basic rules, rights, and obligations. The successful accession of many non-member countries is important to the WTO's ability to manage a trading system of global proportions. The WTO intends to achieve a global order by 2005 where there are no restrictions on free flow of goods and services. To achieve this objective, agreements on a number of areas are yet to be reached. The WTO Members have taken up this challenge. The landmark Agreement on Financial Services achieved in December last year points to the level of commitment among Members. Also in 1997, WTO Members agreed through the High Level Meeting of LDCs on a path which will give important impetus to the integration of the world's poorest nations into the multilateral trading system.

The WTO Agreement embodies provisions conferring more favourable treatment for developing countries, including special attention to LDCs, with a view to creating an enabling environment for them. We must, however, take note of the fact that it would not be easy for the WTO to realize its goal at the current level of disparity in economic and social conditions among developed and least-developed countries. If the capabilities of the LDCs to compete are not developed, it is virtually impossible to attain a global order envisaged by the WTO. Realizing this, the first Ministerial Conference of WTO declared its concern at the problems of LDCs, and agreed on some concessions. However, WTO's expectation from Members to open up new market access opportunities for LDCs has not been met.

Trade liberalization, which is an important aspect of globalization, is transforming people's lives around the world. It is also sparking an intense debate about jobs, incomes, social standards, and the environment. These issues raise important questions about how we pursue legitimate economic and social goals in an increasingly integrated world. The challenge to the emerging "borderless world" does not come from the debate about globalization and free trade but from the weakening domestic support for it. We need to address this problem.

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One cannot, however, ignore the