

WORLD TRADE ORGANIZATION

WT/MIN(05)/12
13 December 2005

(05-0000)

MINISTERIAL CONFERENCE
Sixth Session
Hong Kong, 13 - 18 December 2005

Original: English

ADDRESS BY JOHN C TSANG, JP
SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY
HONG KONG, CHINA
AND CHAIRMAN OF THE SIXTH SESSION

I have great pleasure in joining the Chief Executive in welcoming you all to the Sixth Ministerial Conference of the World Trade Organization. I feel deeply honoured to address such a distinguished audience in my capacity as Chairman of this very important Conference.

I think we would all agree with the Chief Executive that the WTO is at a critical juncture. Four years ago, at the Fourth Ministerial Conference in Doha, Members showed unity of purpose and resolve when they agreed to launch a new round of multilateral trade negotiations.

The Doha Development Agenda negotiations are arguably the most complex and difficult yet undertaken. Agricultural produce aside, the margins for tariff reduction are by definition the narrowest following eight earlier Rounds. Key negotiating areas, most notably the reduction and elimination of agricultural subsidies, are politically sensitive to many Members.

But Members agreed to take up this challenge and pressed on vigorously with the negotiations because we recognized the quickening pace of global interdependence. We recognized too that domestic economic reforms could not be implemented effectively without the cooperation of the other participants in the global economy.

In a globalized economy, all of us are impacted more rapidly by events elsewhere, but greater openness brings with it greater flexibility, and this can be a blessing in disguise. I think of my own community here in Hong Kong as an example of that. Free and open trade is the bedrock of Hong Kong's economic policy, and the foundation of its successful development.

For us, active participation in the WTO is a natural extension of this policy. The WTO's rules-based multilateral trading system helps sustain a dynamic but stable international market environment, in which our goods and services can compete on a level playing field. And in the event of disputes, it allows a fair hearing for all, regardless of size and economic well being.

The rules-based system provides the essential international underpinning for our own open economic policies. Together they enable a predictable and welcoming environment for foreign investment in Hong Kong, thereby increasing jobs and demand for goods and services.

Having benefited from Hong Kong, China's separate membership of the organization for nearly 20 years, it is time that we give something back. So today we are pleased to have this opportunity to discharge our obligation as a responsible international citizen with the hosting of this

Ministerial Conference. As host, we have only one aim, and that is to provide the launching pad for the final stage of these negotiations.

Significant progress has been made since the launch of the Round in November 2001. The commitment in the July Package to eliminate agricultural export subsidies by a specific date is a truly remarkable achievement. The agreement last week to make permanent the flexibility, available to developing and least developed economies under the TRIPS Agreement, to produce or import generic drugs to deal with epidemics is another welcome and positive sign of progress.

There is much more, and here I would like to express my appreciation to Director-General, Pascal Lamy and the General Council Chair, Ambassador Amina Mohamed, for their painstaking preparation of the draft Ministerial Declaration. This 44-page document captures to the maximum degree possible the progress we have made so far. We can see clearly where possible convergences exist, where divergences lie, and where timelines must be set in order to give direction to the process after Hong Kong.

This draft Declaration is the outcome of a transparent and inclusive process. It is based entirely on Members' contributions. The fact that it presented no surprises to our negotiators in Geneva, when they considered it earlier this month in the General Council, is a vindication of the bottom-up approach. Let me assure you that I intend to adhere to this approach in running the Conference in the coming week.

We have ahead of us just over four full days of serious negotiations - in my estimation about 100 working hours. For Hong Kong to be the important staging post we intend it to be, we must use this time wisely. The draft text provides a reasonable foundation; our task must be to build on it, to raise the level of agreement in the various negotiating areas across the board and to agree on a clear roadmap for work in 2006. In particular, I wish to work with you to secure as many tangible results as we can on development-related issues at this meeting.

The middle name of DDA is Development. It is there as a matter of deliberate choice. At Doha we chose development as the guiding philosophy of this ninth round of multilateral negotiations because we believe that trade is an engine of growth, and that it must work for development. What we are seeking to do is to help developing economies better integrate into the global system so that they too can reap the benefits of free and open trade. Let us remind ourselves of this as we set the direction of our work for this week.

Poverty reduction is a priority objective for us all. And trade can stimulate the economic growth that is necessary to boost incomes and provide access to food through imports. In promoting open trade, we must not, of course, neglect the immediate pains of adjustment which all of us must face when cosy protective arrangements come to an end, and comfortable subsidies are removed. However, experience shows that the appropriate response to this challenge is not to shy away from open trade, or to decelerate reforms. Rather, the response should be to introduce reforms in an orderly manner compatible with the particular circumstances of individual economies.

Before I close, I would like to say a few words about how I see my role as Chair of this Conference. I see myself as an honest broker who will spare no effort in helping to bridge gaps between different Members. I will also ensure that the meeting is open, transparent and inclusive. This will apply not just to the negotiation process. It will be the guiding principle of the entire Ministerial Conference.

Hong Kong is a free and open society, accustomed to lively debate and happy to embrace diverse views. In keeping with this spirit, we have sought to provide the best possible environment for the media and non-government organizations at this conference. For the first time in WTO

history, not only the Media, but also the NGOs are housed under the same roof as conference delegates in the Convention Centre complex. I am sure this will help members of the media and civil society to stay in close touch with delegates, and to feel the pace and rhythm of the Conference as we progress.

Let me once again welcome you all to Hong Kong, and to the Sixth Ministerial Conference of the WTO. We have, as the Chief Executive reminded us, an opportunity to do some serious good. When we leave this magnificent venue on Sunday, we must have taken an important step towards the successful conclusion of the Round. So let us rekindle the spirit of unity and collective resolve displayed at Doha, when we first rose to the challenge and launched this Round. And let us show the world that the WTO is alive and well, and is fully capable of delivering results that matter to people everywhere.
