



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

**CONSEIL AU NIVEAU DES MINISTRES**

**3-4 MAI 2005**

**POINT 7**

***NEGOCIATIONS COMMERCIALES DANS LE CADRE DU CYCLE DE DOHA SUR LE DEVELOPPEMENT***

**SUISSE**

**Déclaration**

**M. Jean-Daniel GERBER**

**Secrétaire d'Etat aux Affaires Economiques**

⌘ ⌘ ⌘ ⌘ ⌘ ⌘ ⌘ ⌘ ⌘ ⌘ ⌘ ⌘ ⌘ ⌘

**COUNCIL AT MINISTERIAL LEVEL**

**3-4 MAY 2005**

**ITEM 7**

***TRADE NEGOTIATIONS UNDER THE DOHA DEVELOPMENT ROUND***

**SWITZERLAND**

**Statement**

**Mr. Jean-Daniel GERBER**

**State Secretary for Economic Affairs**

- ❑ Very little progress have been registered in recent months, even at a technical level, despite the fact that new political impetus given and operational decisions taken in the context of the July Package. This is all the more disappointing that Ministers representing the entire spectrum of sensitivities in the WTO already met twice informally this year to jump-start the process stalled at Cancun. Yet we have not been able to make so far substantive progress in the main elements of the negotiations.
- ❑ While we share the ambitions of the Doha Mandate, as reflected in the July 2004 package, the elimination of 3 of the 4 Singapore issues clearly affects our position in defensive areas of the negotiations.
- ❑ Hence, much work lies ahead of us and very little time remains to live up to the Doha commitments and to flesh out before Hong Kong the frameworks and draft legal texts as reflected in the July framework last year.
- ❑ I can only concur with the views expressed in this respect by the Chair of the Trade Committee. It is indeed high time to enter into the next, concrete, phase of the negotiations. Text-based negotiations should begin as soon as possible. Ideally, we should already have concrete elements of written proposals in all rule making areas - agriculture, NAMA, services and rules, including trade facilitation - and modalities for agriculture and NAMA available by July so that our negotiators could further narrow the differences in the months thereafter. Our overarching objective should be to leave as few open issues as possible in Hong Kong.
- ❑ To reach a successful outcome in Hong Kong, both parallel and substantial progress will be required so that a balanced set of modalities in all main areas of the negotiations can be achieved for all the WTO Members. This is only possible if we speed up preparatory work.
- ❑ On the substance of the negotiations, Switzerland is committed to pursue its agriculture policy reforms. We are therefore examining all the proposals made in the course of the agriculture negotiations to see whether the proposed measures are promoting our reform efforts or not. By this, let me emphasize that we are not advocating a status quo. Agriculture is however a complex issue in need of special attention and treatment. We have lost a lot of time because some members have chosen an uninclusive process to elaborate solutions, which cannot be accepted by those who are the most affected by them.
- ❑ Regarding NAMA, we consider that Members commitments should be commensurate with their aptitude to participate in world trade and with respective level of development. Further liberalization of market access accompanied by sound macro and labor policies, complemented by development assistance for the poorest will benefit all parties engaged in international trade. We seek therefore an ambitious reduction or, as appropriate, elimination of tariffs, including tariff peaks, high tariffs and tariff escalation as well as non-tariff barriers. A real improvement in market access requires a reduction in applied rates, not just of bound rates, especially when a large gap exists between the two. The reduction of non-tariff barriers also is essential as they can, if maintained, nullify the benefits of tariff reductions.
- ❑ Switzerland considers that for a successful outcome to be reached in the services negotiations, a real improvement in market opening needs to be achieved. This means the granting of a solid legal security through the undertaking of broad commitments on the basis of the status quo, and beyond this, by providing commitments above the standstill.
- ❑ As for rules, Switzerland considers that parallel and substantial progress in the negotiations toward the strengthening of rules, notably with respect to antidumping will be essential to achieve a

balanced outcome of the negotiations. Involvement of all sensitivities, users and affected members alike should lead to simplified rules, especially for smaller exporters. And this will prevent that unwarranted trade remedy measures take away from the hard-won benefits in the market access negotiations.

- Finally, with respect to other topics of the Doha negotiations, the extension of the scope of geographical indications remains an important priority for Switzerland. It should be considered as an effort to promote production of higher value-added specialties, both in agriculture and industry, with a view to enhance growth and productivity in the economy, and not an instrument to limit imports.
- In sum, our tasks to provide new momentum to the negotiations, demonstrate political leadership, creativity and a sense of compromise. With growing regionalism, multilateralism may be at risk. Hence, let us take our responsibilities and contribute to establish economic conditions conducive to increased global welfare for all Members of the WTO, developed and developing.