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Statement by Mr Hyun Chong Kim Minister for Trade

I am honoured to be here today for the Sixth WTO Ministerial Conference. On behalf of the Korean Government, I would like to express my thanks to the Director-General, Mr Pascal Lamy, and the Chairperson of the General Council, Ambassador Amino Mohamed, as well as to Hong Kong's Secretary for Commerce, Industry and Technology, Mr John Tsang and his staff for their dedication and hard work in preparing for this Ministerial Conference.

I would like to begin by extending a wholehearted welcome to Saudi Arabia, our newest Member, and also to Tonga, who will formally join the WTO at this Ministerial Conference. I believe that the membership of these countries will enhance the diversity of the WTO and contribute to the healthy development of the WTO system.

Looking back, we have accomplished much since the Cancún Ministerial. In August 2004, we made a meaningful breakthrough by reaching an agreement on the framework for the DDA negotiations. Building on that, we have been negotiating systematically in key areas, and we are now in the process of learning how best to move these negotiations forward so as to benefit all Members, in particular developing Members. I regret that it has become difficult to achieve consensus, at this Ministerial, on the main items, such as full modalities for agriculture and NAMA. However, based on what we have accomplished to date, I am confident that we will be able to make significant progress early next year. In order to maintain our high level of ambition for this Round, we need to step up our efforts and engage in these negotiations with greater commitment. This is our responsibility and our pledge at this Ministerial Conference.

As you can tell by its very name, the focus of the DDA negotiations is on "development" and given that these are the first multilateral trade negotiations to take place since the birth of the WTO, they will necessarily be seen as the test case for whether a multilateral trading system can, in fact, bring about development. Korea has a unique experience in terms of trade and development under the multilateral trading system. Consequently, Korea knows first hand the benefits of multilateralism and the meaning of development through trade. Development assistance including Aid for Trade, debt relief and trade are often referred to as the three elements needed for development. Of these three, I subscribe to the view that more than 70 per cent of development benefits come from trade. This is true because development is basically a dynamic process and trade fosters this dynamism by delivering wide-ranging opportunities. It is abundantly clear that the achievement of substantial market access in the individual negotiating areas, will provide fertile ground in which development can take root. In this respect, South-South trade has gained more importance than ever before since South-South trade now accounts for about 40 per cent of developing countries' total exports and is increasing faster than their trade with developed Members.

Of course, special consideration should also be given to developing countries to ease this development process. In this regard, I welcome last week's progress in Geneva in the area of Public Health, as well as the agreement on the extension of the TRIPS implementation period for LDCs. Korea, for its part, is ready and willing to do its best, at this Ministerial, in the collective effort to promote the advancement of developing countries and, in particular, LDCs.

While Korea has developed through multilateral trade, there are still certain areas, including agriculture, that remain sensitive in the domestic arena. Accordingly, liberalization in the agricultural sector should take place at a pace that takes into account these sensitivities. Other countries are also in a similar position in terms of the challenges they face domestically – each WTO Member has its own particular sensitivities. Therefore, if appropriate consideration could be given to these sensitivities at a multilateral level, we would be able to raise the overall level of ambition of these negotiations. Korea believes that the successful conclusion of the DDA hinges on reaching a balanced outcome in all negotiating areas. Especially for Korea, tangible outcome in NAMA, services and anti-dumping are indispensable.

As this year's APEC host country, Korea made the contribution of APEC to the DDA a priority at this critical juncture. The expression of support by APEC Trade Ministers in June for a Swiss Formula as a tariff reduction formula in NAMA was intended to reinvigorate the Geneva process and the APEC leaders' stand-alone statement last month provided a strong political message for a successful conclusion of the DDA negotiations. As you know, APEC accounts for 60 per cent of the world's GDP and 54 per cent of trade and its membership encompasses developed, as well as developing countries. Therefore, this agreement among APEC members is sure to act as a significant catalyst in the future course of these negotiations.

As I mentioned before, this is a critical time for the DDA. Although we have been unable to reach the consensus that had been our initial goal, this is a temporary setback that should not seriously impact the negotiations overall. Our hard work to date has not been lost, nor has it been in vain. As in life, it is sometimes necessary to take a small step back in order to make the next leap forward. If we can speed up the pace of these negotiations early next year based on this Ministerial, we will move closer to our final goal. I hope this Ministerial will produce a clear roadmap that will guide us to that destination.

To this end, I call on all Members to put their best foot forward and engage in these negotiations with a renewed sense of purpose and commitment.
