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NOTA DELLA SANTA SEDE SULLA PREPARAZIONE DELLA CONFERENZA MINISTERIALE DI DOHA: LE DIMENSIONI DELLO SVILUPPO NELL'ORGANIZZAZIONE MONDIALE DEL COMMERCIO

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Dal 9 al 13 novembre è prevista a Doha (Qatar) la IV^a Conferenza Ministeriale dell'Organizzazione Mondiale del Commercio (OMC/WTO).

Nella situazione odierna, le politiche dell'OMC influiscono sulla possibilità dei Paesi in via di sviluppo di garantire alle loro popolazioni, e specialmente ai poveri, un progresso economico e umano duraturo. Da diverse parti si auspica che questa Conferenza Ministeriale ponga la dimensione dello sviluppo al centro della riflessione dell'OMC e dei suoi membri. In particolare si auspica che la Conferenza Ministeriale offra un nuovo slancio verso lo sviluppo di un sistema multilaterale di commercio più equo e partecipativo.

La Santa Sede, desiderosa di portare un suo contributo specifico al dibattito in corso circa il progetto di Dichiarazione finale della Conferenza Ministeriale, ha diffuso una Nota sulle *Dimensioni dello sviluppo nell'Organizzazione Mondiale del Commercio*.

Partendo da quell'importante principio etico enunciato da Sua Santità Giovanni Paolo II nell'Enciclica *Centesimus Annus*, in cui si afferma che "l'economia è solo un aspetto e una dimensione della complessa attività umana", si propongono alcune indicazioni per far sì che le politiche di liberalizzazione del commercio internazionale vengano meglio poste al servizio della dignità della persona umana e alla costituzione di una vera famiglia tra le nazioni, fondata sulla solidarietà.

Riportiamo di seguito il testo della Nota che è stata distribuita alle autorità dell'OMC e a tutte le Missioni Diplomatiche accreditate presso la sede dell'Organizzazione a Ginevra, e al Corpo Diplomatico accreditato presso la Santa Sede.

DEVELOPMENT DIMENSIONS OF THE WORLD TRADE ORGANIZATION

A note of the Holy See on the preparation for the

Doha Ministerial Conference

The Doha Conference is planned to take place at a moment in which the world is challenged by new tensions. It is thus more urgent than ever to ensure that the outcomes of the Conference mark a clear step on the path to a new and more inclusive vision of world trade, in which all can take part effectively on an even footing. This can only be achieved by gestures of flexibility and solidarity, recognizing also that the enhanced development of the poorer countries is a contribution to global economic progress, international security and peace.

Failure to give such a clear signal can only worsen already deep-felt sentiments of exclusion which many communities harbour today. The credibility of the WTO and of a universal multilateral trading system is at stake.

Within this general framework, the Holy See would like to draw attention to some factors that the Ministerial Conference in Doha should address in order to give greater focus and impetus to the WTO's developmental agenda in the future, while maintaining focus on its specific trade-related mandate.

1. Unsatisfactory progress for the poorest countries

Despite the opportunities offered by the Uruguay Round the least developed countries and other poor countries still have only a marginal and diminishing share in world trade. Progress in the equitable integration of the poorest countries into the global market has been unsatisfactory. It is essential to address the factors that have hindered them from achieving the hoped-for benefits from trade liberalization.

A fair integration of the least developed countries into the global economy will only be achieved by an integrated approach. Trade liberalization is a means, and must be implemented in such a way that there is sufficient flexibility to adopt fundamental development measures. The goal and dimension of development must be central in WTO rules and in the assessment of proposals.

Fair trade relations certainly constitute an essential component of economic and human development, but, as Pope John Paul II has stressed, "economic freedom is only one element of human freedom" and "the economy is only one aspect and one dimension of the whole of human activity" (*Centesimus Annus*, n. 39). Economic life cannot be absolutized. Economic activities must be pursued within the broader context of human development, the promotion of human rights and especially the overarching policies and targets of the family of nations aimed at eliminating poverty.

2. The Development Framework of the WTO

Trade liberalization and developmental concerns are not only not incompatible, moreover, they should go hand in hand.

The opening paragraphs of the Marrakesh Agreement establishing the World Trade Organization set out the fundamental framework within which its activities in the field of trade and economic endeavour are to be conducted.

This framework requires the Organization to look at its activities within the context of a broad range of human, social and environmental aims, which have the objective of sustainable development.

It recognizes the need to ensure that the developing countries, and especially the least developed among them, secure a share in the growth in international trade commensurate with the needs of their economic development.

The WTO is asked to enhance the means for achieving development at the disposal of the developing countries in a manner consistent with their respective needs and concerns at different levels of economic development.

3. Eliminate trade-distorting protections

The application of the WTO's rules has resulted in a wide opening of the domestic markets of developing countries, often with heavy adjustment costs. The wealthier countries, however, have been able to maintain strong legal protections precisely in those economic areas in which poor countries could be competitive (e.g. agriculture, textiles and other labour intensive industries).

Even where quota-free and duty-free market access has been widely opened to the least developed countries, many developed countries continue to prolong high levels of protection especially in agriculture and textiles, claiming that they need additional time to adjust. They thus constrain poorer countries to share the burden of their own domestic protection through unfavourable trade conditions and dumping measures.

Both justice and long-term economic efficiency require that the international trade system restore to all its participants the highest achievable equality of opportunity by eliminating, within the shortest possible period, trade and production distorting export subsidies, and providing ample market access on a sure and predictable basis to products in which the poorest countries have comparative advantage. It is important to be attentive to the possibility of new protectionist measures being introduced, disguised under various titles.

4. The developing countries should adopt consistent development policies

The developing countries should, however, avoid the temptation of taking a crude protectionist path. There have been occasions in the past in which protection of certain sectors, at times of vital national importance, has been advantageous in specific circumstances and for a determinate period of time. This can still be true today. However, a correct balance must be attained, keeping in mind that in today's circumstances, generally, protectionism can be of only limited value to developing economies.

The developing countries need rather a solid and viable path to free trade that permits them to enter into an equitable dialogue with international markets. The existing WTO special and differential treatment principle in favour of the least developed countries should, therefore, be fully implemented and operationalized and new measures should be considered as an integral part of future negotiations. Likewise the application of the "generalized system of preferences" should be improved.

The food security concerns of net food importing countries and of the least developed countries are obviously of legitimate concern and must be addressed in trade negotiations. It has been proposed that a specific "development box" to address such concerns should be elaborated. The suggestion merits close attention. Careful research should be carried out in order to provide a clear analysis of the concrete effects of implementation on food prices and food security for the poorest countries.

5. Implementation and technical assistance

The rigid application of the same rules to economies that start out from different development levels and different capacities tends to create further inequities and asymmetries. It is thus essential to address urgently the uneven trade capacities of countries. For a free trade system to be fair, it must not only guarantee legal equality among countries, it must also redress, as much as possible, the disadvantages, in terms of economic and negotiating power, of less industrialized economies and of commodity producer economies.

The accession process for poorer countries should be tailored to their special economic conditions and commensurate with the level of development. Due extensions should be given to the transitional periods for implementation when needed.

WTO technical assistance must be improved and sustainable financial support for such assistance be solidly integrated into the budget, at levels sufficient for the task in hand. Such technical assistance should focus, in the first place, on assisting developing countries to implement existing WTO obligations. In those areas where developing countries face particular and persistent problems in implementing their obligations, a systematic exercise to review, to apply more flexibility and, where necessary, to amend the existing rules or procedures should be carried out.

The Integrated Framework for Trade-Related Technical Assistance to least developed countries should be fully operationalised and financed, and restraint should be used in the application of the dispute settlement procedures against the least developed countries and other very poor countries.

Beyond the implementation subjects, poor countries also require urgent technical assistance from appropriate agencies, to help broaden and diversify their production and export base and their trade promotion efforts.

6. Intellectual property

The present trade scenario has forced the developing countries to divert vital resources to the implementation of new international duties, especially concerning the protection of intellectual property. It would be important to review therefore - in the light of the experience of the past few years - the new intellectual property rights framework with the view of achieving a better balance of results between the interests of developed and developing countries. Particular attention should be given to areas in which the life of people itself could be at stake, as in the case of essential medicines and food security. If needed, the system should be adapted.

While recognising that there is a limit to the number of special exemptions

which a unified trade system can integrate, a specific set of exceptions to general rules could be tailored, where necessary, in order to ensure that no trading interest could hinder the most essential aspects of the right to life. In the meantime the fullest possible flexibility should be shown under existing WTO rules.

7. Increased transparency

The majority of the members of the WTO are developing countries that have as much - or even greater - stake as the developed countries in a truly fair and balanced multilateral system. The developing countries must be able to attain adequate means to voice their interests and exercise their rights - The WTO must portray itself clearly as a trade body working for the interests of all countries.

The very nature of a free trade system entails the full ownership of the trade decisions by all the participating States. Such ownership should be enhanced by rules attentive to the experience of the poorest countries and which should guarantee transparent and inclusive decision-making structures. The special negotiating difficulties of the least developed countries, and especially of countries which can afford only a minimal representation at the WTO headquarters, must be continuously addressed.

8. Towards a broader development agenda

Naturally, the World Trade Organization cannot address all the development challenges of today's world. Attempts to overstretch its mandate should, indeed, be resisted.

A well-prepared and balanced trade negotiation, which goes hand in hand with continuous verification of the ability of the poorest countries to implement past and new WTO agreements, is an important element in a broad new development scenario, in which different international organizations can mutually enhance one another's contribution, so that other outstanding issues - such as the protection of fundamental labour standards, environmental protection and the establishment of global anti-trust norms - can be adequately addressed in the most appropriate forum.