

In my intervention today, I intend to address three issues:

- first, the fragile nature of the rules-based trade system we have all worked so hard to create, and the clear imperative to live up to the commitments made at Marrakesh;
- second, the need to build on the Uruguay Round results and maintain the momentum of trade liberalization; and
- third, a specific proposal of how the OECD [Organization for Economic Co-operation and Development] can do a better job in helping us achieve our shared objective of open markets.

Some might say we deserve a sabbatical year, but it is evident that the world is not going to give us one. Recent events send a wake-up call that there is an important unfinished trade agenda.

Increasingly our efforts must be directed to removing the barriers to trade represented by domestic policies, as well as remaining border measures.

We all agree that our first priority is to build a strong and effective WTO [World Trade Organization] to oversee the operation of the multilateral trading system. We are clearly not there yet. What is required is much more than additional resources to fulfil an expanded mandate. We need the commitment of governments – in particular the governments represented around this table – to renounce measures which are inconsistent with the new rules. We need a commitment to rely on the new dispute settlement procedures – rather than retaliation – when negotiated solutions prove impossible. Most important, we need to marshal the political will to move the agenda forward, to tackle the new issues, to deepen and strengthen the overall system.

Do we believe in a rules-based system and freer trade? Or is this hollow rhetoric? We have invested much time and effort in constructing an improved WTO dispute settlement system. Threats and counter threats, and worse still, implementation of punitive trade measures puts at risk what we have all worked so hard to achieve.

At the same time, serious market barriers and discriminatory restrictions continue to exist – and this is not limited to certain countries. Growing trade friction is not a sign that we have taken liberalization and integration too far, but rather that we have not gone far enough.

The status quo is unacceptable – it is also unsustainable. I ask myself why these issues were not addressed in the Uruguay Round. The answer may be that the Uruguay Round addressed 1982 issues and that we now need to tackle 1995 issues through negotiation.

I urge others here to assume their global leadership responsibilities – to engage without delay in negotiations to provide real improvements in market access – comprehensive negotiations that, in