



Statement on Seattle WTO Outcome

PBEC calls upon the member economies of the WTO to redouble their efforts towards the initiation of a new multilateral round of trade negotiations. Recognizing the diversity of the WTO membership, the agenda of the new round should be balanced and manageable, established by consensus.

The Pacific Basin economies have benefited greatly from expansion of world trade in recent decades through broad-based improvements in living standards. Failure to launch a new round of trade negotiations in Seattle was a profound disappointment to PBEC, and the PBEC member companies.

The member companies represented by PBEC recognize the responsibility of the business community to articulate the benefits brought by trade and investment liberalization. Misunderstandings or misinformation about the impact of globalization, the role and function of the WTO, and the effects of open trade regimes, all served to lay the groundwork for the unfortunate events surrounding the WTO ministerial in Seattle. PBEC calls upon both business and government to undertake renewed efforts to raise public awareness of the clear benefits trade and investment liberalization brings to all segments of society. We must all work together to build support for WTO liberalization initiatives.

Continued expansion of trade and investment through the rules-based system of the WTO provides important advantages:

- By stimulating growth through market opening, economies of scale, transfer of technology, and provision of capital, trade and investment benefit the poorest segments of society, providing new opportunities for employment, higher wages and improved working conditions;
- In light of the broad benefits derived from expanded trade and investment, PBEC emphasizes the need for development measures for developing countries to be an integral outcome of the negotiations;
- By raising income levels, trade-driven economic growth provides the resources needed to provide basic services essential for environmental protection, such as water purification, sewerage treatment, cleaner fuels, etc. Future WTO trade negotiations can more directly benefit the environment as well, for example, by reducing subsidies that support excessive fishing and agricultural over-production.

In light of the broad benefits deriving from expanded trade and investment, PBEC:

- Reaffirms its support for the WTO rules-based system of global trade;
- Urges WTO contracting parties to review their positions on issues outstanding from



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Seattle, and demonstrate flexibility necessary to bridge remaining gaps and move forward expeditiously on negotiations aimed at launching a new global round;

- Calls on individual governments, as well as regional organizations such as APEC, ASEAN, and the EU, to act as catalysts to generate support and enthusiasm for negotiations aimed at launching a new global round;
- Calls on the WTO to develop greater transparency in its negotiations and procedures in order to build public confidence in the organization, and to ensure better support for the results of its work.

PBEC reaffirms its support for priority action in Geneva on the WTO built-in agenda and especially on:

- The full implementation of the December 1997 GATS financial services agreement, as well as the inclusion of pro-competitive regulatory principles and regulatory transparency principles, and expansion of market access commitments in the upcoming negotiations;
- Reform and liberalization of world food trade consistent with APEC's Bogor and Osaka goals and the objectives of the proposed APEC Food System, which promises benefits to all through greater food security, improved trade opportunities and enhanced growth and prosperity, especially for rural communities;
- Conclusion of agreements on accelerated tariff liberalization;
- Agreement on tariff-free electronic commerce;
- Agreement on transparency in government procurement;
- Conclusion of ITA-2.

PBEC views globalization as an inevitable reality. PBEC member companies will therefore continue to move forward, making investments and providing goods and services across international boundaries, thereby raising living standards and quality of life for all citizens of the Pacific Basin. The launch of a new round of WTO negotiations would be a positive and desirable step which PBEC therefore strongly endorses.

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