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SAINT KITTS AND NEVIS

Statement by Mr Charleton Edwards
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St Kitts and Nevis extends its gratitude to the Government and people of Switzerland for hosting this, the Eighth WTO Ministerial Conference.

The worsening financial crisis in the Eurozone can have serious negative consequences for the global economy and prospects for growth far beyond the advanced Western economies where the problems originated. The Director-General, Mr Pascal Lamy was right to view the WTO as an instrument that in such times of uncertainty can "*create confidence by promoting growth and development*". This Eighth Ministerial conference provides an opportunity to collectively explore concrete steps via which the trading system can ward off the economic catastrophe that faces us all.

It is vital that this effort be pursued at the multilateral level; not just because global rather than national solutions are needed, but since remedies applied by major players to safeguard their national interests can sometimes cause collateral damage to trading partners. Regrettably, the smallest countries such as my own are the most vulnerable. For instance austerity in donor countries have prompted tightening of aid budgets, prompting cutbacks not only in vital traditional flows, but also to essential Aid-for-Trade resources that help us develop internationally competitive exports of goods and services.

This is why corrective measures, whether in the financial, trading or climate change spheres need to be subjected to multilaterally agreed principles and disciplines. Solutions that are good for our world as a whole can never result from the more powerful being at liberty to unilaterally devise and implement remedies just to safeguard or advance their own interests.

A specific instance where we have been the innocent victims of domestic action by a major trading partner is the Air Passenger Duty levied on air travel. Ostensibly a "carbon tax" to help mitigate the impact of climate change, the tax adds a massive amount to the cost of travel for tourists travelling from our largest market. This reduces our competitiveness with domestic destinations as well as others that are equally or more distant but which pay the tax at a lower rate.

We call on Members to muster the political will to bring this round to a successful conclusion, building on the progress made thus far. In this regard, St Kitts and Nevis welcomes the advancements made in Aid for Trade since its launching in 2005. We further welcome the continued efforts at the WTO to improve monitoring and evaluation and aid effectiveness.

Trade finance is a priority for the OECS as a critical intervention to assist small, highly indebted developing countries to provide the requisite support for firms to trade competitively.

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Appropriate trade finance mechanisms that are crafted to assist countries that are amongst the most highly indebted in the world are urgently needed to allow for the access to resources to address the challenges and constraints that inhibit our ability to trade.

Chairman, the global crises require collective and inclusive decision making.

A decade ago, our countries committed to the DDA, because we had hoped that the negotiations would help rebalance the trading system to ensure that it would not be neutral in terms of development but introduce and support measures that advance our growth and development. The imperatives to tackle the current crises must not result in the de-prioritization of development in the DDA.

Addressing the immediate crises should not result in ignoring and therefore perpetuating the long-term structural imbalances and inequities that blight the multilateral trading system and which the Doha Development Agenda itself was intended to tackle. *"Yes put out the fire but also deal with the shaky foundation on which the house is tottering"*.

The current economic crises and the widespread fatigue with Doha talks must be neither an excuse for a quick fix that permits the world to gloss over the glaring inequities of the system nor an excuse to sacrifice the principles and centrality of development in the DDA.

St Kitts and Nevis wants to see progress in the DDA but we will not join any chorus for its conclusion until we are satisfied that the package will actually enhance the trade prospects for developing countries like mine.

Chairman, Ministers, Delegates, in closing, St Kitts and Nevis associates itself with the statements made by the other delegations from CARICOM and the OECS. We reiterate our commitment to the Doha mandate and seek the conclusion of a round whose success will borne out by its ability to address the inequities amongst all participants in the multilateral trading system.
