Mr. Chairman, I welcome the opportunity to address this distinguished assembly. May I also express my gratitude for the warm hospitality so generously offered by the Government and people of Kenya to the participants in this important conference.

Mr. Chairman, the question of development is now generally seen to be the central issue of our time. Economic and social development is recognized to be the key both to improving the lives of the world's peoples and to assuring their hopes of international peace. This conference is engaged in shaping for the international community a global strategy for its attack on problems of trade and development. In recent years, a consensus on this strategy has begun to emerge. The many statements that have been made in this hall already reflect a broad convergence of views on some of its central imperatives. But much remains to be done. It is therefore my hope that, here in Nairobi, the gradual process of securing a global consensus on development policy, and on some of the broad modalities for its successful implementation, will be carried significantly forward.

The agenda of this conference bears witness to the complexity of development problems, listing as it does a wide range of issues and interests. Some of these have only recently become the subject of international attention and debate. However, it has always been recognized that trade is a factor of great significance in economic growth and development. That is why the General Agreement on Tariffs and Trade was set up to provide the basis on which most of world trade is now conducted, and why GATT is the forum in which major trade negotiations, more far-reaching than ever before attempted, are taking place. It would therefore be appropriate, and I hope it may be useful, if I make a few remarks on both subjects.
GATT in operation

As regards the conduct of trade, GATT is above all a contractual agreement, to which individual governments have subscribed voluntarily because they have felt that it served their trade needs and interests. As a matter of fact, the number of countries - developing and developed, market-economy and centrally-planned economy, from every region of the world - that are contracting parties to the GATT, has grown steadily over the years, and it continues to grow. As members, they know the basis on which they can conduct their present international trade, and on which they can draw up plans for the future development of this trade. Founded on the General Agreement's structure of rights and obligations, all the members of GATT have at their disposal effective procedures for consultation with their trading partners, for conciliation and settlement of trade disputes when these arise, and for negotiation to further enlarge trading opportunities and to keep the rules themselves adapted to changing needs.

This last point, keeping the rules aligned with present needs, is one that I particularly wish to stress. The General Agreement is an evolving instrument. It has evolved continuously over the years; by addition, amendment, interpretation or waiver of its provisions. The negotiation of special protocols has enabled countries with differing economic characteristics, including socialist countries, to join the Agreement. The GATT will continue to evolve.

A principal element in this evolution of GATT has been the adaptation to meet the particular trade needs and problems of developing countries. If I may stress here one relevant example, it is the system of tariff preferences launched in the GATT, negotiated and introduced between a number of developing countries, and incorporated in a Protocol in 1971. This arrangement is open-ended and should be seen as a beginning. A number of developing countries are exploring the possibility of acceding to the arrangement and the present participants have supported the objective of a new round of negotiations among developing countries to further liberalize their mutual trade. I believe this arrangement provides developing countries with a framework for expanding their trade exchanges in a spirit of self-reliance and on the basis of their own joint endeavours.

The Multilateral Trade Negotiations

Let me now turn to the current multilateral trade negotiations, which are engaging the energies and attention of a large majority of the governments represented here. It is no accident that this should be so, because the negotiations represent an effort to find, through closer cooperation among trading countries, solutions for the difficulties that have affected international trade, and more particularly the trade of developing countries, in recent years.
These negotiations are guided by the Tokyo Ministerial Declaration. The content of the declaration, to which representatives of over 100 countries unanimously subscribed in September 1973, is well known. I would only stress that it is entirely consistent with the trade provisions of the more recent Resolution 3362, adopted last year by the seventh Special Session of the UN General Assembly, and that it provides full and comprehensive authority for carrying forward the multilateral trade negotiations. The Declaration defines the broad objectives of the negotiations, in ambitious terms. It provides for action across the whole field of tariff and non-tariff measures hampering trade in industrial and agricultural products. It calls for consideration of improvements in the international framework for the conduct of world trade. It stresses, repeatedly, the aim of providing additional benefits to developing countries. To this end, it states that, wherever practicable, differential measures or specially favourable treatment should be provided for these countries. It also recognizes the need for special attention to the problems of the least developed countries "to ensure that these countries receive special treatment in the context of any general or specific measures taken in favour of the developing countries during the negotiations". Finally, the negotiations are open to all countries.

Of course, nothing definitive or spectacular can be said about a negotiation that is in progress, especially when it is so vast and complex, and when it involves nearly 100 countries, each with its specific trade interests. However, I will try to survey briefly, and in broad terms, the present situation in the six negotiating groups now at work under the general supervision of the Trade Negotiations Committee.

In the field of tariffs, the participants are engaged in the discussion of tariff-cutting formulae on the basis of some concrete proposals. The group is concerned both to bring about a significant general reduction in all tariffs and to provide specially favourable tariff treatment for the experts of developing countries. The immediate aim is to reach agreement on the main elements of a tariff negotiating plan by the end of 1976.

On the very important and diverse subject of non-tariff barriers to trade, negotiations are going on with the aim of arriving by the end of 1976 at an agreed approach on subsidies and countervailing duties - an area of major concern to developing countries; a substantially agreed standards code; an agreed procedure for achieving a meaningful liberalization of quantitative import restrictions, again a matter of special concern to developing countries; and an agreed basis for negotiations in the area of customs matters. Moreover, agreement has just been reached on the principle of establishing a negotiating group on government procurement practices. These are possibly the five most important non-tariff obstacles to trade. However, consideration is being given to taking up other types of non-tariff measures as the negotiations proceed.
Negotiations on agricultural products are crucial to the Tokyo Round as a whole, since most important trading countries, both developed and developing, will give high priority to obtaining a satisfactory arrangement for their agricultural exports. The group dealing with agriculture has begun with cereals, meat and dairy products, since it appears that these might lend themselves to multilateral solutions. This approach can be extended to other product groupings. The Group's currently active work programme also includes tariffs and non-tariff measures affecting all other agricultural products, with priority given to measures notified by developing countries as affecting their trade.

Tropical products are being treated as a special and priority sector in the negotiations. A key stage has now been reached. In response to requests for tariff and non-tariff concessions affecting tropical products by more than forty developing countries, the industrialized countries have tabled their initial offers. A process of bilateral and plurilateral negotiations is now taking place among interested participating countries. The negotiating group will meet again next month, with the aim of reaching an agreement on tropical products in 1976.

On the question of safeguards to which many countries linked the question of adjustment assistance, the participants are aiming at an agreement in 1976 on the basic concepts that should be negotiated in this area.

Finally, regarding the sector approach, the aim is to reach in 1976 substantial agreement on the use to be made of this formula in the negotiations.

In all six of the negotiating groups, as well as in the Trade Negotiations Committee itself, the question of differential treatment and special procedures for developing countries is being actively considered.

In addition, as already mentioned, the Tokyo Declaration also envisages that consideration be given, in the light of progress in the negotiations, to improvements in the framework for the conduct of international trade. It is expected that the Trade Negotiations Committee will discuss at its next meeting a proposal to set up a negotiating group specifically for this purpose. Included in the mandate proposed for the group would be particular attention to improvements (and I quote) "with respect to trade between developed and developing countries and differentiated and more favourable measures to be adopted in such trade".

I might add here that, from the beginning of the negotiations, the GATT secretariat has been providing technical assistance to all developing country participants in identifying and pursuing their negotiating interests.
An essential feature of the negotiations is their multilateral character. At some stages, clearly, bilateral and plurilateral consultations and negotiations will inevitably take place, reflecting the obvious fact that individual countries also have individual trade interests and problems. But the results of such bilateral and plurilateral negotiations must necessarily be reviewed in a fully multilateral context, and the benefits arising from the negotiations be made available multilaterally.

Mr. Chairman, all participants would have liked to see these negotiations move more rapidly. This is especially the case for developing countries whose needs are urgent, and whose hopes have been raised by the promises held out in the Tokyo Declaration. But the negotiations are extremely complex, and the world has been moving through a period of great economic uncertainty. However, the pace of the negotiations can and must be accelerated from now on.

The position now, to sum up, is that the first objectives to be reached by the end of this year have been defined. They would provide a solid basis from which participating governments could press forward until they reach the final results. The agreed aim is that the negotiations should be completed in 1977, an aim that has repeatedly received an encouraging reaffirmation at this conference.

The negotiations represent a great opportunity for developing countries. Through the dynamic effects of worldwide trade liberalization, the negotiations can provide new impetus to the international economy. And they hold out the promise, in particular, in the words of the Tokyo Declaration, of:

"additional benefits for the international trade of developing countries so as to achieve a substantial increase in their foreign exchange earnings, the diversification of their exports, the acceleration of the rate of growth of their trade, taking into account their development needs, an improvement in the possibilities for these countries to participate in the expansion of world trade and a better balance as between developed and developing countries in the sharing of the advantages resulting from this expansion."

Mr. Chairman, these words I have just quoted represent a fundamental objective of the multilateral trade negotiations, which must be fulfilled.

Mr. Chairman, before ending this statement I should refer briefly to one other area in which GATT is not only working towards fulfillment of the same aims as this conference but is actually a close partner of UNCTAD itself. I refer of course to the International Trade Centre, our joint and vigorous offspring. GATT will continue to give both practical and financial support to the Centre's concrete assistance to the export efforts of developing countries.
May I conclude, Mr. Chairman, by expressing my own hopes for the success of this conference in its great task of reaching the strategic decisions needed to put international development policy on agreed, sound and fruitful lines for the years ahead.

Thank you, Mr. Chairman.