GENERAL AGREEMENT ON TARIFFS AND TRADE
Fourth Round of Tariff Negotiations

Statement made by Mr. Helge von Knorring,
Envoy Extraordinary and Minister Plenipotentiary of Finland
at the public session on 19 January 1956

The decision to hold a fourth round of tariff negotiations was greeted by Finland with satisfaction. It was interpreted as a sign that, in spite of all, those ideas still prevail which animated the founders of the General Agreement on Tariffs and Trade after the Second World War and that they had again found response in the United States which had earlier greatly contributed to the origin, development and progress of the GATT. I think it is right to say that the decision of the United States Government to enter into tariff negotiations with the other contracting parties has been received in many countries with cautious expectations. The greatest value of the decision of the United States to participate in a new round of tariff negotiations is no doubt to be found in the spirit of cooperation and in the proclaimed aim further to develop international trade by lowering trade barriers.

Finland's economy depends to a high degree on foreign trade. Since we do not have such important raw materials as coal, coke, petrol products, iron and steel etc., and since the cold Nordic climate puts limits to agricultural production, the above-mentioned raw materials and considerable quantities of foodstuffs have to be imported. In order to pay our imports we must have an extensive export trade. The importance of the foreign trade appears from the fact that nearly one-third of Finland's national income derives from her exports. Foreign trade is a vital necessity and that is why Finland has always been looking favourably upon all endeavours to develop and promote international exchange of goods. The most-favoured-nation treatment has been the cornerstone of Finland's foreign trade policy. In the light of this situation it is understandable that also the international tariff conferences are very significant to a country like ours.

Against this background we have put forward at the present tariff conference requests for tariff concessions to a number of contracting parties in addition to the United States. Owing to the structure of Finnish exports, our requests cover only a relatively narrow sector of goods, namely products of the forest industries. In this respect Finland participates in those
negotiations on a basis which differs from those countries the exports of which cover a much wider variety of goods. This fact cannot be without influencing the way in which the requests made by other contracting parties to Finland can be met.

A further aspect which cannot be disregarded derives from Finland's postwar difficulties. Finland is only now about to recover from the losses she suffered from the war and from the instability of her economic life resulting from the burden of war reparations. In these circumstances it is most difficult to direct the country's tariff policy in a way which could reasonably be expected to provide a sound basis for the future.

Besides, we concur with the views expressed by many of those who have already taken the floor today, to the effect that after the very extensive concessions which were made at the previous tariff conferences the scope of concessions that this time can be made, will necessarily be more limited.

We are nevertheless convinced that there are many points on which a mutually profitable understanding can be reached, and it is in this spirit that we are now entering into these negotiations.