The following is a summary of the remarks made by the Representative of Uruguay, H.E. Mr. J.A. Lacarte, before the GATT Council during its recent meeting.

Some years had passed since Uruguay had acceded to GATT and, with the development of Uruguay's special situation the time had come to ask in what way its accession to GATT had brought advantages justifying accession. The Government of Uruguay, for its part, considered that it had complied fully with its obligations under GATT. Uruguay, he said, applies no discriminatory measures affecting imports nor any quantitative restrictions on imports.

The speaker went on to review the unfavourable developments in international trade which, in recent years, had affected the trade of the developing countries, and referred in particular to the trade needs of the less-developed countries vis-à-vis the removal of barriers to trade by the industrialized countries, as set out in recent United Nations reports and as re-emphasized by the decisions taken at the recent Ministerial meeting of the Inter-American Economic and Social Council at Punta del Este, Uruguay.

Mr. Lacarte asked what was the relation between the General Agreement and the grave problem represented by barriers to the expansion of trade of less-developed countries. GATT had already identified numerous barriers to trade in products which were of basic importance for many contracting parties. The Uruguayan delegation had taken those studies further and had drawn up a table of restrictive and discriminatory measures against Uruguayan exports.

"This table relates to thirty products which account for 97 per cent of Uruguayan exports, and to nineteen countries which account for 85 per cent of our export markets. It should be noted that even without taking account of prohibitive customs duties, subsidies, bilateral agreements and preferential systems arising out of the European Economic Council and the European Free Trade Association - all of which are matters for deep concern for us because of the adverse effects which they threaten to have or already have on our foreign trade - the table shows 576 individual restrictions, some of them permitted under the General Agreement and others not, which hinder trade in Uruguayan products; 576 restrictions which might well be still more numerous, for in some cases it was not possible to complete our enquiries," he said.

"One may well ask oneself to what extent the barriers referred to in this table, and other similar barriers, might prevent a successful outcome of the Tariff Conference currently in progress at Geneva. When the results of the Conference are made known, we shall know to what extent certain
contracting parties have faltered at the prospect of reducing their own tariff protection in exchange for illusory concessions. In that case we would have further proof, if any were necessary, of the way in which trade restrictions are undermining the foundations of the General Agreement," he said.

"One cannot but note - I would even say with surprise and dismay - that a weighty and complex mass of procedures exists which together serve to impair to a marked degree the volume and value of Uruguayan exports. I say volume and value because unfortunately it is not merely a question of volume, though that would be serious enough. It is well known that in view of the tight market situation and the disadvantage at which they must operate, exporters are understandably afraid of not being able to sell all the products available to them and they are therefore obliged to take the first sales opportunity that comes along, however disadvantageous it may be, so that prices rank second among their preoccupations."

In the light of these facts and of the effectiveness of the General Agreement as an instrument for promoting international trade the delegation of Uruguay had made a series of proposals for consideration at the meeting of Ministers to be held at the end of November 1961, Mr. Lacarte said. All contracting parties should take the necessary measures to carry out immediately all their commitments arising from the General Agreement and therefore cease applying discriminatory and restrictive measures which are not permitted by the text of the Agreement nor by the resolutions of the Contracting Parties. There seemed no justification for maintaining so-called residual import restrictions at a time when many countries are admitted by enjoying prosperity. Such restrictions should be removed immediately unless they are properly authorized, as in the case of any other existing barriers to trade which are inconsistent with the Agreement.

Similarly there seemed to be no valid reason for continuing the agricultural waivers which, it must be said, favour nations which enjoy prosperity and a high degree of economic development. The agricultural waivers stimulated anti-economic activity and were contrary to the letter and the spirit of the General Agreement; moreover, they caused grave damage to the interests of many contracting parties which were still encountering difficulties in their foreign trade relations. The contracting parties with balance-of-payments difficulties were the ones which needed help, through the adoption of special measures by all countries which have signed the General Agreement, he said.

Mr. Lacarte also asked that the GATT secretariat should prepare each year a detailed report on restrictions and discriminatory measures of all kinds affecting trade, whether they are, or are not, justified.
It was clear, he said, that certain member countries, including Uruguay, were at a disadvantage. This was a matter not only of the application under special conditions of the obligations involved in the fact of being a contracting party, but of something which went much further: there was what one might term a structural disequilibrium in the General Agreement which resulted in a situation where certain supplying countries for primary commodities and foodstuffs were at a disadvantage, and the repercussions affected their balance-of-payments deficits.