The following countries/participants in the Uruguay Round negotiations:

Argentina, Austria, Brazil, Chile, Colombia, Czechoslovakia, Egypt, El Salvador, Finland, Hong Kong, Iceland, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Nicaragua, Nigeria, Norway, Pakistan, Peru, Philippines, Poland, Singapore, Sweden, Switzerland, Thailand, Uruguay and Venezuela

express their deep preoccupation about the state of the Uruguay Round negotiation on rules and underline herewith the overall interests of the trading community for strengthened GATT rules and disciplines.

The participants to the present statement welcome the political commitment expressed by the United States and the European Community at the recent Summit in the Hague to intensify the negotiation process in order to achieve progress mainly in the difficult fields of market access, agriculture and services as well as to strengthen GATT rules and disciplines. In this context participants to the present Declaration support the statement made by the Chairman of the Trade Negotiations Committee at its last meeting on 7 November, that the strengthening of rules and multilateral disciplines play an ever more important rôle in world trade.

The multilateral trading system based on the principles of m.f.n. and non-discrimination is confronted today with major challenges which demand an additional future-oriented negotiating effort on rules:

- the globalization of markets requires a predictable and stable multilateral trading system, taking account of the interests of both importing and exporting countries;
the most impressive efforts made by many developing countries and
economies in transition in Central and Eastern Europe to reform
their economies require a sound legal basis in the multilateral
trading system, as a recognition of their effort and as a
guarantee against setbacks;

- trade is one of the most powerful engines of growth and
development. In this context, unambiguous and strengthened GATT
rules and disciplines are the basis for increased market access
opportunities, which are so decisive for the economic well-being
of all contracting parties in GATT;

- and indeed, strengthened GATT rules and disciplines are the key
to a revitalized multilateral trading system. They should bring
an end to unilateralism, thereby significantly contributing to
make the multilateral trading system more reliable.

The participants of the present communication, which have made major
contributions in the various areas of the Round, are of the view that, in
the given time frame, an additional negotiating effort should be directed
towards clearer and more precise rules, with a view to allow a major step
forward in the process of progressive liberalization.

The following elements are particularly important for success in the
negotiations on rules:

First, an unambiguous non-discriminatory safeguard mechanism and a
clear, staged and binding programme for dismantling grey area
measures.

Second, clear, strengthened and balanced disciplines in the area of
subsidies and countervailing measures, with a view to providing for
fair and open competition on the basis of concepts, elements and the
structure contained in the existing framework proposal.

Third, a revision of the Anti-Dumping Code which ensures that
anti-dumping procedures are not abused either for harassment or as
disguised instruments for protectionism while at the same time
providing that clear and genuine circumvention of anti-dumping
measures would be prevented and subject to similar disciplines.

Fourth, a strengthened mechanism for the application of trade measures
taken for balance-of-payments purposes.

Fifth, balanced results in the area of TRIMs, which would effectively
address trade distorting investments measures.

A substantial package on rules remains the cornerstone of the
multilateral trading system. Such a package is essential so as to ensure
the efficient functioning of the GATT dispute settlement mechanism and to
preserve the rights of smaller and medium-sized contracting parties. It
is therefore the overall interest of the trading community that GATT rules
emerging from the Uruguay Round should strengthen the multilateral trading
system.