It is no exaggeration to say that the task with which we are faced today is of the utmost importance - one might even venture to say historic - in the light of world trade and economic matters.

With regard to our objectives at Punta del Este, we are meeting here this week with a view to reaching common agreement which will enable us, by the time we complete our work, to launch a new round of multilateral trade negotiations. It is a task at once simple and complex, as urgent as it is vital. It is at once simple and complex because it requires of us balanced doses of defence of the legitimate interests of each one of us and understanding of those represented by the party on the other side of the negotiating table. It is urgent and vital because the economic and social development of our peoples, and their well-being, are involved with a more just and more open trading system which shares out the fruits of progress on an equitable basis.

This is the challenge facing us, a challenge imposed upon us by the growing deterioration in international trade and in the GATT system, especially over the last decade. Growing bilateralization and the various forms of protectionism on the one hand, and on the other the growing disregard of the obligations under the GATT system - processes that are interrelated - are the most characteristic features of this unpromising trend.

To curb these trends and processes, and to correct them, calls for common action without delay. The same is true in other fields related to trade, which likewise are in a parlous state. I refer here to international monetary and financial relations, where the imbalance produces harmful effects on international trade as such and on the national and world economies. The necessary strengthening of GATT calls for better co-ordinated action between this body and others within the international system, such as IMF, the World Bank and similar institutions.

With regard to the objectives of the New Round, by the time we have completed our work within the next few days we shall have to have shown ourselves capable of responding to what is expected of us, in other words to have reached agreement on the objectives, the content and the modalities of a new round - well named the Uruguay Round. In my delegation's view, the main objective of this New Round, and hence the thinking which must
govern our negotiations this week is of a dual nature: to preserve and strengthen multilateral trade on an equitable basis, and to preserve and strengthen the GATT system. The two objectives are interrelated, each requiring the other for its proper functioning. Open trading and fair trading alone will strengthen GATT and give it justification. Only when GATT is effective and able to absorb the constant changes in the world economy will it be useful for trading of the kind we are seeking.

With regard to ways and means of strengthening the GATT system, allow me to make one or two remarks concerning the manner in which my delegation views this vital strengthening of the GATT system in its two facets: as an institution and as a forum for this New Round which we shall undoubtedly be launching this weekend.

First of all let me recall something which seems obvious, and indeed is obvious, but is frequently forgotten. GATT is and will continue to be what is expected of it, what we who are parties to it want it to be. It depends on our will and on our way of looking at our own interests, both immediate and more remote. We alone, all of us, can and must strengthen GATT and make it more efficacious and more equitable. The task of enhancing the institutional framework of GATT calls for a number of things, including the following: simplification of the system so as to make it easier to understand and apply its principles; improvement of the reconciliation machinery with a view to reforming the procedures for the settlement of disputes; and more detailed follow-up in the trading system of the contracting parties, including more frequent meetings at their highest level.

Secondly, the strengthening of GATT calls for thorough treatment during the New Round of a whole series of subjects, some traditional, others new. I would like to stress the importance of the so-called traditional subjects. Safeguards, tariffs, non-tariff measures, and trade in agricultural products - to quote only the four most important - require new approaches and improvements which in turn mean a strengthening of discipline. At the same time, GATT must be capable of opening up to the more recent events and trends on the world economic scene, and more specifically in international trade, thus making a start with the so-called new subjects.

It should be pointed out that this attention to the "new" subjects does not, in my delegation's view, presuppose giving less attention than is necessary to the traditional subjects. On the contrary, improvements in the institutional framework and dedication to these traditional subjects should continue to be a fundamental task.
The type of trading I have referred to in this statement is trade that is more open and effective, and at the same time more equitable, where the contribution made by each individual party will be in line with its potentialities and the benefits it obtains from such trade. Hence the essential principle of differentiated and more favourable treatment for the developing countries must not be a static concept but must be dynamic and ripe for evolution. This principle we regard as fundamental.

During these next few days we must demonstrate, and demonstrate to ourselves, that we are capable of sufficient determination and understanding to arrive at a final agreement making it possible for us to launch the Uruguay Round, which is absolutely vital is we are to help the world economy to recover and improve the well-being of our peoples. This is our responsibility, and my delegation is confident that we shall be able to face it.