

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

Spec(82)135
November 1982

CONTRACTING PARTIES
Thirty-Eighth Session
Ministerial Meeting
(24-27 November 1982)

Original: English

STATEMENT BY THE REPRESENTATIVE OF GHANA

We meet here today, in our collective efforts to find solutions to some of the problems of our one small world. Our world, after all, has long diminished in size, our interdependence needs no emphasizing.

Our gathering here is also a demonstration of our commitment to the principles and goals of the General Agreement on Tariffs and Trade of which we are contracting parties. Ghana welcomes the challenge and will play its part.

In the decade or so since the last Ministerial meeting of GATT, the fortunes of many peoples and of many countries have gone through varying changes. Some of these changes have not been encouraging; indeed, in the past year or so, many small developing countries such as Ghana, have faced economic, financial and social problems of critical and unimaginable proportions. The very existence of many countries as sovereign States is threatened.

Our young countries are experiencing the consequences of a persistent and deepening international recession, increasing unemployment worsened by high interest rates, a decrease in the prices paid for our primary commodities, diminishing security of access of our products to foreign markets and a whole host of perceived and imperceptible problems. It may be said, therefore, that our meeting is taking place against the background of a troubled world. We do not expect this three-day meeting to provide answers to all our problems and yet we shudder to think of the possible consequences which may befall our miserable circumstances if this meeting should fail to demonstrate sensitivity to our problems.

The multilateral trading system is witnessing an increasing and dangerous recourse to bilateralism. This bilateral approach in the organization and resolution of world trade problems is seriously eroding the confidence and detracting from the multilateral system which we must admit has served the international community well in the almost four decades of its existence.

The trends are grim and disturbing particularly because protectionist measures and attitudes seem to be on the increase instead of diminishing. We must exert every effort to find solutions for the problems posed by bilateralism and protectionism within the limited legal parameters of the General Agreement. We admit that some of these problems do not lend themselves to easy solutions, nonetheless, we need to demonstrate the political desire to succeed and to create an atmosphere at this meeting which will encourage a dynamic process of resolving these problems.

We have identified protectionism and bilateralism as the principal causes which bedevil the multilateral trading system, but these are not alone. The malfunctioning of the dispute settlement mechanism can be added; the circumvention of the provisions of the General Agreement by resort to the so-called "grey" zone measures in the form of voluntary export restraints and orderly marketing arrangements particularly between strong and weaker partners, constitutes a problem. Added to these is the lackadaisical application of the rules relating to the developing countries, the outright refusal by some developed contracting parties to honour the commitments they undertook under Part IV and in the Enabling Clause.

We are in sympathy with many of the useful suggestions made towards resolving the problems concerning GATT. It is our view that a necessary first step in the process of bringing relief to developing countries should be a pledge by the developed countries, to respect and consolidate the achievements of the Tokyo Round and complete the unfinished business of the Tokyo Round subsumed under the 1979 Programme. It is necessary to stress that until we are able to maintain and improve on what we have already achieved, it would be unwise to venture into new fields. In this connection, Ghana wishes to place on record, its satisfaction with the draft ministerial text which has been made possible through the unrelenting efforts of the Chairman of the Preparatory Committee and of the Council. We wish to record our appreciation to them for their contribution.

We wish to express our views on some of the very important and easily identifiable problems to which this meeting is expected to address itself.

On safeguards, Ghana supports the improvements along the lines proposed in the draft text. We, however, feel unhappy about the concept of "selectivity" or the so-called "consensual selectivity". Safeguard measures must be applied on a non-discriminatory basis.

Regarding GATT rules and activities relating to the developing countries, we support the draft text, particularly the emphasis on more effective consultations with regard to the operations of the Enabling Clause and Part IV of the General Agreement. We are also gratified that the plight of the least-developed countries has been recognized and taken care of.

It is the view of the Ghana Government that trade in agriculture must be given the equitable treatment that it deserves but within the legal framework of GATT, including Part IV. Any examination of the problems of trade in agriculture should recognize and respect the relevant provisions of Part IV.

On tropical products we lend our support to the proposed continuation with the plurilateral consultations begun in March with a view to their being negotiated. We, however, expect that the outcome of any negotiations should not adversely affect existing contractual obligations which certain groups of developed countries have assumed outside the framework of GATT but recognized and accepted by GATT.

Concerning MTN Agreements and Arrangements, Ghana supports a review that would identify and remove obstacles to their adherence by as many interested parties as possible with a view to "ensuring the unity and consistency of the GATT system" in consonance with the CONTRACTING PARTIES' Decision L/4905 of 28 November 1979.

Ghana supports the draft text on textiles and clothing and endorses the proposals to examine the problems in this sector.

On dispute settlement, any text that would finally be adopted, should ensure that the proposed emphasis on conciliation does not supplant the adjudicative mechanism. We are, however, of the view that since the General Agreement is not endowed with powers, no matter how pleasantly the procedures on dispute settlement are improved, ultimately it is our willingness to abide by the rulings of the CONTRACTING PARTIES that would determine the efficacy of the dispute settlement mechanism.

Regarding services and trade-related performance requirements, on which discussions have stalled but are nevertheless continuing, we have deep apprehensions stemming from our lack of adequate knowledge of the subjects and scope of the studies being proposed. We also have doubts as to GATT's legal competence in these areas. We feel therefore that the matter deserves careful consultations which should not be hurried.

As regards structural adjustment and trade policy, we unreservedly support the proposed encouragement to the Working Party to continue its work in view of the vital relationship between structural adjustment geared towards the phasing out of uncompetitive industries and the fight against protectionism. We feel that the work of the Working Party will contribute immensely in rolling back the tide of protectionism.

The most important pre-condition, to our mind, for a successful conclusion of our task is a display of mutual sympathy with, and understanding of, each other's problems in an atmosphere devoid of recriminations, accusations or counter-accusations. This is important because no contracting party (whether developed or developing) has escaped the ravages of the present crisis. It is therefore only with a sincere and honest desire to search for solutions, recognizing and appreciating each other's difficulties that we can ensure success.

In our search for solutions we must be guided and encouraged by the fact that in the sixties and early seventies the multilateral trading system contributed to the prolonged boom in international trade. Our institution has proved resilient, and is capable, if properly harnessed and husbanded, of meeting the challenge of today and of tomorrow. Its capacity has been demonstrated in the past. All we need is a resolve to bolster and strengthen it to enable it to measure up to the task. This done, it cannot be said in retrospect, when we are out of the woods, that when the world was faced with a serious economic crisis, GATT could not contribute to the efforts at finding solutions.