

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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STATEMENT BY THE HON. JOEL M. ALIRO-OMARA, M.P.,
MINISTER OF COMMERCE OF UGANDA

1. In the name of Uganda, let me congratulate you on your chairmanship of this very important meeting.
2. This meeting comes at a critical time when worries have been expressed about the future of the GATT and international trade relations. At no time since the post-war years have pressures and stresses on the multilateral trading system resulted in increased protectionism. Contracting parties have forgotten the fact that it was the dangers of protectionism after the wars that led to the negotiation of the GATT.
3. We believe that all of us here are fully aware of the dangers of discrimination in trade and that we should be resolved to its reduction and eventual eradication.
4. Since the GATT was first negotiated there have been major changes in the environment of world trade. Developing countries have emerged as independent and increasingly important participants in world economy. Uganda wishes to remind the developed countries that the developing countries are a sizeable market for world trade. As a market they must have the purchasing power; unfortunately the world economic crisis has hit these countries most and thus reduced their abilities to effectively contribute to world trade.
5. Most discouraging is the insufficient commitment on the part of the developed countries to assist the developing countries in improving their economies.
6. The commodity sector of the developing countries should be assisted to contribute more to economic development through the greater participation of these countries in the processing, marketing and distribution of their commodities. Action for stabilization of commodity prices at competitive levels should be undertaken as a matter of urgency. This should also include the removal of tariff and non-tariff barriers against developing countries processed products and the abolition of restrictive trading practices.

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7. In my delegation's view there seems to be lack of firm commitment to combat the tide of protectionism in all its various forms. This has manifested itself in the manner in which some speakers have approached the problem of trade in agriculture and the safeguard provisions of the General Agreement.

8. On trade in agriculture Uganda believes that non-tariff measures should be eliminated. Liberalization of trade has been more on manufactured goods than on agricultural products which operates to the detriment of countries like Uganda which largely depend on agriculture for exports. I propose that improvement of the GATT rules on export subsidization should give better treatment on agriculture. The present GATT rules under Article XVI(16) are too permissive and should be reviewed. This review should ensure:

- (a) a standstill on current protection levels;
- (b) the development of codes of principles on agricultural support measures; and
- (c) agreement on limits to export subsidies.

9. A lot has been said about safeguards. Many contracting parties have had the opportunity to violate the GATT system by increased use of the safeguard provisions. It is the view of my delegation that there is a need for a safeguard provision in order to allow flexibility. At the same time we call for self-restraint and honesty in its application. There is need, therefore, to develop effective non-discriminatory safeguards systems under which new protectionist measures would be discouraged.

10. We have heard here proposals that trade in services should be brought within the GATT system, that a study on the issue should be instituted. Sir, it is my delegation's view that we should first perfect what we have before entering into new areas. There are some areas of the GATT which were negotiated at Tokyo which have not been implemented. Let us be bold and implement those areas for which no resolution has been achieved especially under Part IV of the GATT.

11. Finally, let me reaffirm Uganda's commitment to the principles of GATT. We support the call for contracting parties to close ranks against protectionism through individual and collective action. We should assure our peoples, businessmen and investors that we have the political will and commitment to halt protectionism and reaffirm the GATT principles.