

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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STATEMENT BY HON. SHERIFF S. SISAY,  
MINISTER OF FINANCE AND TRADE  
OF THE GAMBIA

May I join the distinguished speakers before me in congratulating you upon your election to the Office of Chairman of this august body and also record the sincere appreciation of the Gambian delegation for the hospitality accorded us by our hosts, the Government and people of Switzerland. As I take the floor at this stage of our meetings, almost the last day of our deliberations, I am conscious of the fact that much of what I have to say will essentially be repetitive having been preceded by speakers who have dealt so eloquently with the broad range of issues on which we seek to make pronouncement in this conference. I would nevertheless like to add Gambia's voice to all the urgent calls which have been made here for a return to orderly exchange between nations within the framework and discipline of GATT.

We are meeting at a time when the turbulence which has seized the world economy in recent years is showing no signs of subsiding. On the contrary, it has been and continues to be exacerbated by the measures which several of us gathered here have adopted to protect our national interests. The pursuit of such protectionist policies for the sole objective of securing and defending national gains, is hardly consistent with the realities of interdependence which underlie the international transactions characterized by a system of free trade and payments. If our system of trade and payments cannot allow for fair competition for the goods and services or indeed retain a reasonable measure of equity in the determination of the rates for the discharge of attendant payments obligations, then it will not endure.

Every speaker that took the floor since the start of the meetings has enumerated the problems with which the system of international free trade is bedevilled.

In the past few years some countries have used the provisions of the GATT, such as safeguards to circumvent the principles enshrined in the Agreement. Temporary and emergency policy measures designed under the Agreement to help countries get over short-term difficulties have been translated into long-term and even permanent solutions, contrary to the accepted principles of free trade. New tariff barriers and other restrictive measures have been devised to inhibit a free flow of goods. This situation has led to a distortion of factor prices and the inefficient use and allocation of resources. It has become so serious that unless firm

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and decisive corrective measures are taken, the very survival of the GATT and the international trading system could be endangered and the arrangement may collapse resulting in grave consequences for the international community. I am convinced that the trade patterns that have emerged during this period of confusion do not serve the long-term or even the medium-term interests of the international community.

The recent years have seen considerable deterioration in the terms of trade for the majority of developing countries, this trend has seen increasing severity particularly for primary commodities. The general decline in prices and hence export earnings have had their consequences for the balance of payments and the external debt of these countries. Unless there is improvement in the access to markets for the exports of the developing countries and a general improvement in the price levels, the developing countries are bound increasingly to be unable to maintain the levels of imports necessary for their development. That certainly means a progressive weakening of demand for the products of the industrial nations. There is hardly any need for the effects of these to be stated here in any detail. There is no doubt, however, that it will contribute to a deepening of the recession of the industrial world. In one particular instance, for example, the case of ACP countries vis-à-vis the EEC, it is given that a substantial surplus of ECU 3.2 billion has been reversed to a deficit of ECU 1.7 billion in the period since 1975 and last year alone has seen an absolute decline of 18 per cent in the group's exports to their trading partners in the EEC.

Such drastic reversals in the fortunes of the poorest nation cannot fail to produce adverse consequences for the peoples and indeed for the international community.

Against this gloomy background, the Gambia has come to this Ministerial meeting of GATT with a strong conviction that GATT can survive the crisis and we are sure it will survive it. It is our view that the time has come for the adoption of policies relating to duty-free trading in agricultural commodities, the lifting of all barriers imposed on commodities exported by the less-developed countries and a more liberal application of the value-added criterion on processed or semi-processed goods from these countries. The Gambia holds the view that these are some of the priority areas needing urgent consideration and decision.

Before concluding, I would like to take the opportunity to thank the Director-General and his staff for the work they have put into the preparation of the documents for this meeting.

I would also like to endorse the views expressed earlier that the various provisions of GATT should be reviewed in order that they would cope more adequately with the changing conditions of world trade. Since there are specialized committees for the study of specific issues, these committees should proceed urgently with the urgent task of the necessary review and to recommend those measures which in their view would strengthen GATT and regenerate that system of free international trade which is so vital to the health of the world economy.