

URUGUAY ROUND

OF MULTILATERAL TRADE NEGOTIATIONS

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TNC CHAIRMAN REVIEWS FIRST YEAR OF THE URUGUAY ROUND

Speaking in New York, this week, Mr. Enrique Iglésias, Foreign Minister of Uruguay and Chairman of the Trade Negotiations Committee, made the following statement on the first year of the Uruguay Round.

"Just one year ago, Ministers and senior officials from some 78 countries met in Uruguay and made the courageous and far-sighted decision to launch a new Round of multilateral trade negotiations - the Uruguay Round - under the auspices of the General Agreement on Tariffs and Trade.

"I will not easily forget the hard work and tension which surrounded that decision, nor the tokens of the enormous goodwill and capacity to compromise which marked the negotiations, as well as the relief and satisfaction as success crowned our four days and four nights in Punta del Este.

"Naturally, the Punta del Este Declaration is only the beginning of a process set to last four years. It seems to me appropriate, therefore, that at this time - which is, in fact, just a month away from the fortieth anniversary of the signing of the GATT - I should take stock of the process that has been under way since 20 October 1986.

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"While the Declaration was a highly practical document it was, nevertheless, a political expression of commitment which had to be turned into a series of more precise plans to guide the negotiators in Geneva. Given the sensitivity of so much of the negotiating substance, it is very much to the credit of those negotiators that, within four months, detailed plans had, indeed, been agreed, a balanced schedule of meetings decided and rules drawn up for the vital commitment to the 'standstill' on new illegal trade measures and the 'rollback' of existing measures.

"I think it worth pointing out, in the context of the 'standstill' commitment, that the dangerous tendencies in international trade policies - which were very much at the root of our determination to launch a new round of trade negotiations - have shown no real sign of abating in the past twelve months. On the contrary, damaging trade disputes have continued, especially among the major industrial countries, and protectionist pressures on governments in some of those same countries have perhaps even worsened. It is a sad observation that, at a time when a great opportunity exists to expand trade to the benefit of all through the reinforcement and extension of the multilateral trading system, so much effort is being expended and uncertainty created in the battle against those who would willingly repeat the catastrophic mistakes of the past.

"At the same time, the position of the developing countries - especially those with major foreign debt burdens - has shown little signs of improving even if prices of some commodities have been rising recently. So it is encouraging to see the seriousness with which the developing countries are approaching the Uruguay Round negotiations. It is quite clear that an enormous effort is being made in capitals and in Geneva to ensure that the Round brings benefits to all the participants, not merely the commercially powerful.

"In fact it is generally encouraging that, even if trade tensions remain a worrying feature in international economic relations, all participants in the Round continue to demonstrate goodwill, far-sightedness and a willingness to negotiate. I wish to express here my particular admiration and gratitude to the Chairmen of the Negotiating Groups for their dedication and commitment.

"Let me recall that there are negotiations taking place, within the context of the Round, in some 15 areas. The negotiating groups covering the area of trade in goods have now completed almost three complete cycles of meetings while the group covering trade in services has held four substantial meetings.

"It is evident that participants are treating every one of these negotiations with appropriate seriousness - no one group is being permitted to go slowly while others leap ahead. And that is how things should be,

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given the importance the Ministers attached to the Round as a single political undertaking. At the same time, I continue to believe that some early results from the Round are both necessary and possible. For the moment, however, it is important that the process of analysis, review and above all the submission of ideas to the negotiations should continue at a brisk pace.

"In the past few months, there has already been a wealth of ideas and proposals submitted by participants in the negotiating groups. As a representative of an agricultural exporting country, I cannot but express my satisfaction at the pace of work in the group covering the agriculture sector and at the fundamental ideas for reform which are being put forward and discussed there.

"Of course, as proposals are submitted so the differences between participants become more obvious - and in some cases they are very profound indeed. But if differences did not exist we would not need the negotiations. As national positions are determined and placed on the negotiating table, so the Round can move forward with the search for credible and acceptable solutions to the many problems which face us.

"The negotiators in Geneva have not been given a comfortable timetable in which to progress their work. I consider that a very major effort will have to be made in the next three months in order that the first phases of the negotiations will reach their conclusion by the end of the year.

"I believe that we should be encouraged by what has been achieved in Geneva in the past year. I say that with no sense of complacency nor under any illusion that the negotiations will not become very much more difficult before we have any results to show. But the Uruguay Round continues to deserve the full and unconditional support of every government involved."

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