

URUGUAY ROUND

OF MULTILATERAL TRADE NEGOTIATIONS

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TRADE NEGOTIATIONS COMMITTEE - 10 November 1992

The following is a text of the remarks made by Mr. Arthur Dunkel to a meeting of the Trade Negotiations Committee, of which he is Chairman, on Tuesday 10 November.

"First of all, I would like to thank you all for coming here today at short notice. The purpose of this meeting is to consider steps to be taken to advance the negotiating process in the Uruguay Round.

"This is the twenty-second formal meeting of this Committee at the level of senior officials. You will recall that the last such meeting was held in January this year. Since that meeting, two new GATT members - Namibia and Mozambique - have joined the list of participants in the Uruguay Round negotiations. I would like to extend a formal welcome to them on your behalf.

"At the January meeting, the Committee had a first collective assessment of the Draft Final Act and on that basis, it agreed to move forward on a work programme comprising four tracks to carry the negotiating process forward in the concluding phase of the Uruguay Round.

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"Since February this year, the agreed work programme has been in effect. Despite strenuous efforts by the Chairmen and a great number of participants, negotiations have never actually taken off.

"This state of affairs was recognized by this Committee when it met in an informal session in April. On that occasion, participants felt that despite efforts at the highest political levels in key capitals, little or no concrete progress had been achieved since January and that tracks 1, 2 and 3 were, in effect, blocked. They concluded that political breakthroughs were urgently needed in certain central areas of the negotiating agenda, most importantly, but not exclusively, in agriculture. Further meetings and multilateral negotiations were organized in the hope of achieving as much progress as circumstances would permit.

"Today it appears that these meetings have not yielded any concrete results. In fact, the present situation is even more critical: unresolved and escalating trade disputes have put under threat even the existing multilateral trading system which is the very foundation for our ongoing efforts in the Uruguay Round.

"Unless the present circumstances change dramatically, any further work programme put in place by the Trade Negotiations Committee is not likely to achieve concrete results and will, on the contrary, destroy the credibility of the Geneva process.

"In this respect, I must, once again, point out that, even after the essential political breakthroughs have taken place, there will be a great deal of detailed work to be done in Geneva before the Round can be successfully concluded as a multilateral exercise. For example, negotiations pertaining to market access and initial commitments in services will be technically time consuming even with the best political will of all participants. We have also to fulfil other important tasks like the GNG's evaluation of the results from the viewpoint of developing countries, including the least-developed among them. All this calls for very urgent action.

"As I already mentioned, the purpose of today's meeting is stated in the convening airgram. But before we come to this, let me give you the background against which this meeting has to be seen.

"To begin with, I have had extensive contacts with government representatives in Geneva and in capitals, also in the context of convening and preparing for this meeting. On the positive side, these contacts have reinforced my view that all governments are ready and waiting to engage in, and rapidly conclude, the "give and take" of the multilateral negotiating process. On the negative side, an overwhelming majority of participants express deep concern and helplessness in that the European Economic Community and the United States have not been able to provide the trigger to the multilateral process in the absence of satisfactory results in their bilateral negotiations.

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"In short, there is a deep sense of crisis, since it appears that the Uruguay Round itself is in danger of being lost. In this sense, the message to the so-called G-7 countries by twenty-nine participants in the Round is only the tip of the iceberg. In fact, the demand of a very large number of delegations representing both developed and developing economies, as well as economies in transition, for a formal Trade Negotiations Committee meeting at this juncture stems from the urgent need to address precisely these concerns and to devise a strategy for unblocking the negotiations.

"Drawing again from my most recent consultations, I see a growing consensus in favour of the following conclusions for today's meeting:

- (i) The Trade Negotiations Committee recognizes that the Uruguay Round is faced with a crisis and that the negotiating machinery set up by the Committee remains blocked;
- (ii) The TNC notes the widespread feeling among members that the blockage is largely due to the inability of the European Economic Community and the United States to provide the trigger for the multilateral process in Geneva in the absence of satisfactory results in their bilateral negotiations;
- (iii) The TNC expresses dissatisfaction with this state of affairs, first, because the Uruguay Round is a multilateral undertaking with a large number of major national interests involved, and second, because further delay in activating the multilateral negotiating process might mean failure which neither the world economy nor the participating governments can afford;
- (iv) The TNC appeals to the European Economic Community and the United States, the two major trading entities in the multilateral trading system, to discharge their responsibilities in safeguarding and maintaining this system;
- (v) The TNC requests its Chairman at the official level personally to bring these concerns to the notice of the authorities in charge of the Uruguay Round in Brussels and Washington and to urge their cooperation in restarting multilateral negotiations in Geneva. The Committee further requests the Chairman to keep it informed of the results of these contacts.
- (vi) And, finally, the TNC asks its Chairman to propose a concrete work programme as soon as developments indicate a genuine readiness by all governments to engage in substantive negotiations in Geneva on the basis of transparency and mutual trust.

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"If the elements I have just outlined have the consensus of this meeting I propose that the Trade Negotiations Committee approve them without any further delay. I shall, of course, be calling a meeting of this Committee in the near future to report on developments."

The statement and conclusions were supported unanimously with representatives of some 53 governments taking the floor.

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