

**GENERAL AGREEMENT  
ON TARIFFS AND TRADE**

SR.49/ST/7  
17 February 1994  
Limited Distribution

(94-0302)

CONTRACTING PARTIES  
Forty-Ninth Session

Original: Spanish

CHILE

Statement by H.E. Mr. Ernesto Tironi  
Ambassador, Permanent Representative

Nineteen ninety-three was a memorable year for the multilateral trading system. We successfully concluded the Uruguay Round after seven years of lengthy negotiations on a more open trading system, with clear rules we all undertake to respect.

Chile is a small trading partner which has actively participated in the negotiations and contributed to far-reaching liberalization agreements.

Its decision to reduce the tariff ceiling to 25 per cent on products across the board, the total absence of quantitative restrictions, and of export and production subsidies all testify to our genuine commitment to free and open trade.

By applying this trade policy, together with a macroeconomic policy based on fiscal balance and an effort to promote social development, we have achieved positive results in terms of economic growth, a reduction in extreme poverty and an increase in foreign trade.

An improvement in the economic and trade environment through the Uruguay Round will further facilitate and promote our development.

However, in 1993 protectionist tendencies were still in evidence and disputes have escalated within GATT. For us, the most crucial disputes include the restrictions on trade in apples and bananas in the EEC and in tobacco in the United States.

Chile submitted complaints under Article XXIII of the GATT and currently has a Panel on the application of countervailing charges on imports of apples originating in Chile. Furthermore, the request for a Panel on tobacco imports in the United States is still pending. Nevertheless, Chile is always keen to settle these problems amicably, which is what we are trying to do with the European Union over apples.

I can assure you that these problems are extremely important for Chile not simply in terms of economic damage but also in political terms because of the doubt cast on the credibility of the GATT rules, which then reinforces domestic pressure for protectionism.

I would also like to inform you that Chile is very satisfied to have completed the negotiations for the transposition of its Tariff Code into the Harmonized System, and therefore no longer needs to request an additional exemption.

./.

Similarly, we would like to express our satisfaction that other countries are keen to accede to the GATT and become part of this great trading community.

Of particular importance is Chinese Taipei's accession and the negotiations on China's status as a contracting party, in view of their considerable and growing foreign trade with Chile and other countries.

We hope for a speedy and successful conclusion to the negotiations.

Finally, I would like to welcome our fellow Latin American country, Paraguay, to GATT; and trust that Ecuador, Honduras and Panama will soon be able to conclude their accession process.