

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

SR.50/ST/19
22 December 1994
Limited Distribution

(94-2899)

CONTRACTING PARTIES
Fiftieth Session

Original: English

CHINA

Statement by Mr. Long Yongtu
Assistant Minister, Ministry of Foreign Trade and Economic Cooperation
(Speaking as an Observer)

It is of great significance and also appropriate to make appraisal of the historic performance of GATT, at a time when the GATT is completing its historic mission and the WTO is coming into being. We must recognize in all fairness that GATT has played an important role in formulating and developing the multilateral trading system today and thus has promoted the economic and trade development of the world. However, due to the historic constraint when GATT was first created and the negative impact of the current political and economic reality, GATT has its fundamental defect as a framework of the multilateral trading system from the very first day it was born. Take the Final Act of the Uruguay Round negotiations as an example. This package of agreement, though has its objectives of maintaining and strengthening the multilateral trading system of the world and is therefore of historic importance, is nevertheless, in many aspects an agreement which does not take fully into consideration the interests of developing countries and is therefore unbalanced. In addition, GATT from its outset, has never had the benefit of universality in the real sense.

As a Chinese saying goes, "historic lesson merits reflection and learning", the new WTO should draw useful experience and lessons from the GATT which were accumulated over the past decades.

As you are all aware that China has made persistent and unswearing efforts in order to return to the multilateral trading system in the past years.

The decision of China to return to the multilateral trading system has been made first of all, out of the need of China to promote its policy of reform and opening to the outside world. The decision is also an evidence to demonstrate China's support to the multilateral trading system and its firm commitment to undertake the international responsibility and obligations in handling the international economic and trade relations.

However, due to the reasons know to all, the negotiation of China to return to GATT and join WTO has not been brought to a successful conclusion at this important juncture of the transition from GATT to WTO.

In view of the situation, the Chinese Government has recently made an important decision to set the deadline of 31 December 1994 to complete the substantive stage of China's GATT/WTO negotiation. During the past few days more and more contracting parties have come to realise the seriousness of this decision, and the decision has begun to play a positive role in the negotiations.

China, while engaged in its talk to resume its GATT contracting party status, has fully participated in the Uruguay Round of Trade negotiations from the very beginning to the end, and China

./.

signed the Final Act of Uruguay Round negotiations in Marrakesh last April. This fact has clearly indicated that the most important condition for China to join WTO has been fully met. Any intent to delay further the negotiation process for China to join WTO will jeopardize the effectiveness and universality of the world trading system.

The Chinese Government has always held that the relationship between WTO and China is one of mutual need. The participation of China in the multilateral trading system will not only benefit China but also the whole world. I can assure the delegates here that no matter when China is able to join WTO, China will continue to uphold its policy of reform and opening to the outside world and China will make every effort to join hands with all present in order to create not only a free, but more importantly, a fair world trading system.