

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Trade Negotiations Committee

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SRI LANKA

Statement by H.E. Mr. Bernard A.B. Goonepilleke
Ambassador, Permanent Representative

At the outset, permit me to welcome wholeheartedly the long-awaited final breakthrough in the Uruguay Round trade negotiations, which emerged from the accord reached yesterday morning between the two major trading partners, thereby enabling the Uruguay Round to be concluded by the deadline. It is also with a deep sense of satisfaction that we in Sri Lanka continue to appreciate the highest political will demonstrated by the two major trading partners, and by the other two main participants, in their untiring efforts to provide the much needed stimulus to the finalization of the Uruguay Round for the greater and wider interest of the future of the multilateral trading system and its reinforced set of norms, discipline and rules governing international trade, and also for the greater liberalization of global trade. Sri Lanka continues to believe that trade liberalization had never been regarded as an end in itself by the international community, and is not considered as such at present, and will never be treated so in the future. Both the GATT and the Uruguay Round in their preambular parts have embodied this harsh reality, at the root and heart of which lies the much deeper and nobler ideal of the welfare of all our people.

It is too well known that greater liberalization of world trade, coupled with a much strengthened rule structure for the conduct of commercial relations among all the participants in the Uruguay Round, constitutes the most ambitious and far-reaching agenda on global trade ever undertaken by the international community, as a dynamic spur to economic growth and welfare of all the participating countries. The very nature of international trade negotiations and, more so, the most complex and inclusive agenda of the Uruguay Round, ranging from agriculture to textiles and also from services to intellectual property rights, did no doubt render the speedy and early conclusion of the Round almost inconceivable.

Sri Lanka, as a small developing trading nation, has fully appreciated the reality of changing global, economic and trade structures. This has necessitated us to treat international trade as the "engine of economic growth" to ensure the balanced development of our economy, and through this means the equitable distribution of income and wealth among all our people. It is in this context that we courageously embarked upon a policy of freeing the national economy of all its shackles and controls combined with the opening-up and liberalization of foreign trade since 1977. This process of overall economic and trade liberalization has gained greater momentum recently with the rationalization and significant lowering of our import tariffs presently at 45 per cent, accompanied by a dismantling of all import and export licensing control and regulatory régimes, with the maintenance of only the bare minimum of such measures purely for national security, public health and moral considerations. This process of unilateral trade liberalization we have embarked upon, will be further expanded with the lowering of all our import tariffs to a level of 35 per cent from next year.

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It is against this backdrop of freeing our economy and trade that we have participated in, and lent our fullest cooperation to the Uruguay Round for its early conclusion. Our participation in the Uruguay Round has been rightfully in keeping with our trade, development and finance needs as a small developing country. We have taken the bold step of fully integrating our national economy into the international grid on trade, finance and investment. In this process, our continuing commitment to the multilateral trading system, as enshrined in the GATT and which will be widened and further strengthened by the conclusion of the Uruguay Round, will remain as solid and unwavering in the future as well. It is no exaggeration to say that we have undertaken all these bold liberalization measures in the midst of a painful structural adjustment programme. Mindful of all these hardships and difficulties entailed in such structural adjustment, we have contributed to the Uruguay Round in a modest manner, keeping in view our trade, finance and development needs, while at the same time losing substantial revenue for the national coffers. In this connection, we continue to appreciate the goodwill and consideration extended to us by the major trading partners which no doubt would enable us to sustain our irrevocable commitment to trade liberalization and also to the multilateral trading system.

Today, as we are gathered here for approving the Draft Final Act embodying the results of the Uruguay Round, it is with a deep sense of nostalgia that we recall our participation at the Geneva Conference in the Palais des Nations in 1947, as a founder member of the multilateral trading system together with the other 22 nations, which gave birth to the GATT. Ever since, we have continued to take part in the successive trade liberalization rounds launched under the auspices of GATT in whatever modest manner we could. It is in this spirit of our long historical and traditional association with the GATT and its multilateral trading system, that we eagerly look forward to the formal signing of the Uruguay Round Agreement at Marrakesh in Morocco in April 1994 by our Ministers.

Coming, as it does, at a time of unprecedented economic difficulties encountered by the developed industrialized countries and also by the developing countries due to recessionary tendencies, the successful conclusion of the Uruguay Round will not doubt be indelibly etched on the chequered annals of international economic cooperation as the boldest attempt ever launched by the international community for further expansion of income levels, employment and wealth of all our nations through trade liberalization.

Last but not least, a special word of thanks and appreciation should go to you, Mr. Chairman, for your indefatigable endeavours and sustained determination which have contributed in no small measure towards the final wrapping-up and conclusion of the Uruguay Round on the specified deadline. I will be failing in my duty if I don't express the appreciation and gratitude of my delegation to your predecessor, Arthur Dunkel, who contributed immensely to the process of negotiations and tabled the Draft Final Act.