MULTILATERAL TRADE NEGOTIATIONS THE URUGUAY ROUND

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THAILAND

Statement by A.E. Dr. Supachai Panitchpakdi
Deputy Prime Minister

On behalf of the Royal Thai Government, I wish to express our sincere appreciation to His Majesty the King and the Government of Morocco for the warm hospitality accorded to my delegation since our arrival. I should also like to express our deep gratitude to the Crown Prince of Morocco for graciously presiding over the inauguration ceremony of this historic meeting.

We gather here in the beautiful city of Marrakesh to mark the historic and successful conclusion of the most ambitious and comprehensive round of multilateral trade negotiations. Indeed, there are many causes for celebration. What have been accomplished after seven years of hard and demanding work are complex yet bound to create major impacts in various areas. The GATT rules have been strengthened to reflect the evolution of international trade during the past forty years. We reach a sizable market access package and agree to bring textiles and clothing trade into the GATT. And for the first time, rules and disciplines governing trade in services and intellectual property rights are clearly spelt out. As great a success as the Round may be, we must realize that they are all achieved through compromises as well as sacrifices by all participants, developed and developing countries alike. We, therefore, must keep up the momentum and build on these achievements for genuine trade liberalization.

The Uruguay Round results are far from perfect and much remains to be done or improved upon. Nevertheless, the conclusion of the Round has already created psychological impact and generated positive economic signals in various parts of the world. However, for this impact to be sustained, we need more efforts to put the Uruguay Round results into reality.

We share the same pleasure as all other delegations of having seen the Round successfully concluded. However, we would like to use this opportunity to strike a cautious note on the following matters.

First, the Uruguay Round agreement must be honoured. The GATT has never been in lack of agreements but more often than not, loopholes in these agreements are exploited through unilateral interpretation. This should not take place.

Second, the results of the Uruguay Round must be implemented without delay. Good rules are meaningless if they are not implemented. Notwithstanding the fact that the agreements allow for transitional period, all countries should endeavour to implement the Uruguay Round results in good faith and as soon as possible.

Third, regional economic grouping must not take precedence over the multilateral trading system. We realize that the results will not deter moves towards economic groupings or regionalism. However,

these groupings should be supplementary to, not substitution of, the multilateral trading system. Moreover, we hope that unilateralism and inward-looking tendency will disappear.

Fourth, special and differential treatment should be maintained for the developing countries, particularly for the least-developed ones. This would enable them to integrate themselves into the multilateral trading system without disruptions to their social and economic development process.

Fifth, the tasks beyond the Uruguay Round are no less demanding than those preceded. Thus, we wish to stress that introduction of new issues such as environment and labour standard is ill-opportune. Although the issue on environment had been settled to a certain degree in Geneva, this does not lessen our stance in opposing all efforts to employ it as a trade protectionist measure.

Regarding the issue of workers' rights and labour standards, we share the views of many countries that this is not an issue over which the GATT has competence. This issue will be more properly addressed in other relevant organizations such as the International Labour Office. In our view, we should concentrate on the issue of trade liberalization which will bring about an expansion of international trade, a higher level of income, and an improved standard of living. Through this means, we believe that the labour standards will be eventually improved. At this point in time, we see no place for reflecting this issue in the GATT, neither in the Marrakesh Declaration nor in the Decision Establishing the Preparatory Committee for the WTO.

Sixth, the result of the Agriculture Agreement leaves much to be desired. It is therefore, highly hoped that after the initial phase of the implementation of the Agreement, serious commitments to consolidate the progress achieved then and to build upon it a genuine liberalization of trade in this sector should continuously be pursued.

The Marrakesh Declaration, the WTO Agreement, and the Uruguay Round Final Act could all justifiably be called a milestone in the economic history of the world. We are in effect on the path to a new era. Yet, it all depends on our own actions to attain what these instruments provide. The results of the Uruguay Round are yet to be tested but they are in our hands, the hands of all the members of the GATT/WTO.

This is indeed a historic occasion worthy of celebration. But this is only the beginning of the tremendous challenging tasks ahead of all trading nations, that is, how to contain protectionist instinct and genuinely subscribe to the basic principles of the GATT.

The Uruguay Round results alone will not guarantee liberalization. We need political will and economic adjustment to bring about such a lofty goal. We have in the spirit of cooperation and partnership created the best system man could possibly engineer. Let us from this day onwards work hand in hand to make the best system function viably for the benefit of all peoples, in all continents.