

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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**PERU**

**Statement by Mr. Efraín Goldenberg**  
**President of the Council of Ministers and Minister of Foreign Affairs**

We have come a long way since 1986 when in Uruguay, our countries made the monumental decision to launch the most ambitious and comprehensive process of trade negotiations ever undertaken.

Morocco is now offering us its warm hospitality so that we can put the seal on our political determination to implement, as soon as possible, the complex network of agreements embodied in the Final Act of the Uruguay Round and the Agreement Establishing the World Trade Organization.

The Uruguay Round negotiations coincided with a far-reaching process of modernization in my country, aimed at developing our society by undertaking a much-needed and difficult economic stabilization programme and structural reforms designed to liberalize the economy. Policies aimed at encouraging domestic and foreign private investment, a qualitative change in the role of the State, privatization of public enterprises and the removal of all forms of subsidies are important elements of this reform designed to create a transparent and stable institutional framework.

Peru has opened up to competition, simplifying its tariff regime and reducing tariffs. There are now only two rates in operation, namely 15 per cent and 25 per cent ad valorem, the former covering 97 per cent of the value of Peru's imports. As a result of this important reform, since July 1990 to date, the average tariff applied in Peru has fallen by about 66 per cent. Similarly, we have abandoned all the non-tariff measures that once obstructed trade.

This Round has also helped Peru to regularize its GATT commitments and offer a tariff ceiling of 30 per cent - one of the most substantive offers from Latin America - covering almost the entire Peruvian tariff system. This offer lends transparency to foreign trade with Peru and simplifies trade relations with our partners. Similarly, my country is submitting a comprehensive proposal in the area of services which includes *inter alia* sectors with a high added value such as financial services, tourism, distribution services and telecommunications. We are also strengthening our foreign investment regime which fully guarantees national treatment for foreign investors who decide to bring their capital to Peru.

My country is also proud of having made a permanent contribution to the satisfactory conclusion of the agreements before us.

I would like to mention *inter alia*, our contribution to the drafting of the Agreement on Textiles and Clothing, in particular the definition and inclusion of small suppliers of textiles, and Peru's contribution to ensuring that the Agreement on Agriculture takes account of the position of those countries facing the serious problem of crops grown for making illegal narcotic drugs.

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Peru hopes that the schedules annexed to the Final Act of this Round of negotiations will provide genuine and significant access, and fresh opportunities for exports from the developing world to enter the markets of the most industrialized countries.

It is a source of satisfaction to Peru that one of the main results of the Uruguay Round is the establishment of the World Trade Organization.

Its coming into operation, as we approach the 21st century, should provide a stable, predictable and impartial framework, sufficient to ensure the eradication of all arbitrary and unilateral trade practices. Thus, the World Trade Organization is an essential step forward towards a more interdependent and democratic world system.

I would like, finally, to look at certain issues which are being treated as new areas to be included in the fabric of international trade.

The first area is the relationship between trade, the environment and development. For my country, the top priority is to ensure that our development process takes place in harmony with the environment. It is essential that in all our economic and productive activities we pay attention to preservation of our natural heritage.

The World Trade Organization must approach the subject of trade relations and respect for the environment in accordance with principles that rule out the possibility of new protectionist barriers being erected for spurious ecological reasons.

In addition, Peru supports the range of activities provided for in Agenda 21 with regard to the drawing up of a programme on the environment, trade and development.

One further aspect is the potential inclusion in the programme of work of the World Trade Organization of issues linking the trading system and internationally-recognized labour standards. In this regard, I would like to point out that Peru, as a member of the International Labour Organisation and signatory to most of the instruments establishing and guaranteeing labour rights, which it respects, is concerned to see the emergence of certain trends which, though supposedly based on the protection of recognized labour rights, seem directed towards encouraging and developing new forms of protectionism and distorting international trade.

Other areas of constant concern to us include the relationship between trade and the alleviation of poverty, and improving competition through the elimination of restrictive trade practices.

I would like to conclude my statement by confirming Peru's commitment to fulfilling the new obligations deriving from the agreements to be signed. The success of the Uruguay Round is an incentive for my country to continue with the process of modernization and opening-up of the economy which President Fujimori launched in 1990, and also guarantees a stable and transparent basis for world trade in the years to come.