

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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SWEDEN

Statement by H.E. Mr. Ulf Dinkelspiel
Minister for European Affairs and Foreign Trade

I am pleased and honoured to appear here today in the beautiful setting of Marrakesh. I want to express my Government's sincere appreciation to His Majesty King Hassan II and to the Government of Morocco for hosting this meeting and for the warm hospitality shown us here at Marrakesh.

This is a great moment for the Swedish Government and for me personally. We have fought hard, together with our Nordic neighbours, for this Round. Today, I can say without reservation, that the long voyage from Punta del Este to Marrakesh was well worth the efforts.

The results of the Uruguay Round are unprecedented in GATT history, they will counteract protectionist pressures and narrow national self-interest. They will open up new markets and strengthen trade disciplines and thus will bring confidence and new hope for economic growth and investments worldwide.

Liberalized trade and economic growth and welfare go hand in hand. We have learnt it in Sweden and we see it today in many developing countries which are rising from the poverty trap. They will now have better opportunities to reduce the gaps to the rich world, on a market economy basis.

The results of the Uruguay Round are a necessary corollary to regional trade liberalization which is advancing in many parts of the world. Sweden, for its part, is now aspiring to become a full member of the European Union. We have negotiated this, in parallel with an active participation in the Uruguay Round. We firmly believe that regional integration must proceed hand in hand with multilateral trade liberalization in order to avoid a fragmentation of the world economy.

Our overriding priority now must be to ensure a rapid and faithful implementation of the results. The 1st of January 1995 is the target date which we shall make every effort to respect.

With the coming into effect of the new World Trade Organization, we are turning a page in the history of international trade.

The GATT agreement has served us well in the past. We have high expectations for the new organization. Through an effectively organized WTO, trade policy should now be given its rightful place in international economic policy-making. The principle of a global and common trading system will be strengthened and tendencies towards reciprocity and protectionism in world trade will be checked.

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But the real test of efficiency for the WTO will be to what extent its members will allow it to take on new or emerging trade issues.

Environmental issues are a case in point. My Government was among the first to pursue the trade/environment issue in GATT. Environment policies affect trade in a number of ways and we saw a need to avert unilateral actions. The good work undertaken in GATT over the past two years must now be actively pursued. I am therefore very happy to see that a committee for trade and environment is set up in the WTO context.

The effects of national labour standards on international competition is another issue of growing international concern. The Swedish Government believes that the relationship between trade and relevant ILO standards merits study in the WTO context. But in no way could we accept that such work would result in new protectionist measures. Nor could there be a question of trying to undermine comparative advantages this way.

There are other trade-related issues, bearing, for example on competition and investment policies, which are candidates for future work. These are complex issues, which need thorough analysis.

More than once, the Uruguay Round was declared prematurely dead. But in the end governments chose cooperation instead of confrontation. This is a victory for multilateral cooperation. But there were of course individuals behind the success. Time will not permit mentioning all those who made invaluable contributions in the process.

But I would not miss this opportunity to pay particular tribute to former Director-General Arthur Dunkel, who got us almost up to the end, and to his successor Peter Sutherland, who with his Irish stubbornness bullied us over the last hurdles. A special thanks also goes to all those who were driving forces behind the initiation of the Round, including one of my predecessors who is here with us today, Mr. Mats Hellström.

An era in GATT is now coming to an end. Another begins. Let us all rapidly implement the results of the Uruguay Round and get on with our work. The whole world stands to gain from it.