

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

MTN.TNC/MIN(90)/ST/30
3 December 1990
Special Distribution

Original: Spanish

Trade Negotiations Committee
Meeting at Ministerial Level
Brussels, December 1990

ARGENTINA

Statement by Mr. Domingo F. Cavallo,
Minister for Foreign Affairs

The Argentine Republic has come to this closing meeting of GATT's Uruguay Round with the conviction that we Ministers gathered here must give a clear demonstration of our intention to strengthen the international trading system by adapting it to the pressing demands of an ever more complex and interdependent international economy.

Our Government's determination to that effect is unambiguous and has been demonstrated firmly and constructively throughout all the negotiations that have taken place since the adoption of the Declaration of Punta del Este.

Argentina has undertaken a considerable structural readjustment effort by deregulating its domestic market in goods and services and by opening up its economy to international competition. Confirmation of this change is to be seen in the proposal we made in the negotiations on market access to bind the entire import tariff without applying non-tariff restrictions.

This dedication in favour of a world in which co-operation triumphs over isolationism, one in which countries are mindful of the long-term benefits of a growing world market, a world in which each realizes that its progress depends on that of the others, is not a characteristic of Argentine policy alone but a common goal of the policy of the Latin American region and of a large number of other developing countries.

Countries with fewer resources, countries which are experiencing major difficulties are indicating, it now seems, the path to follow. The political will and decisions to change must take precedence over short-term problems and partial interests associated with a narrower vision of the world and the future.

That is why we cannot but be greatly concerned by the state in which we come to this closing meeting of the Uruguay Round at Brussels.

. / .

After four years of work on the key negotiating areas, particularly on market access, the differences are such as to possibly lead us to conclude that they are insuperable. It would seem that those who have more, those who have greater possibilities of arranging their production structures lack the will to do so.

Our countries do not need more aid; what they need are fair market-opening conditions that would enable them to develop the sectors of production in which they have competitive advantages. For that, it is indispensable to establish clear rules of the game that put an end to the subsidy policies which are ousting them from the international market, distorting investment and demoralizing their producers.

We do not want to fall prey to pessimism; we are convinced that the major trading countries will be capable of assuming the responsibility of leadership that is theirs, of bringing about changes in positions that will make it possible to overcome the crisis and arrive at a positive result in the area of market access, and therewith, in the negotiations as a whole.

Argentina's position is clear. Without a significant result in agriculture, our country cannot accept other results in this Round. And when we speak of a significant result we are referring not only to a commitment to reduce domestic support subsidies but also to cut back export subsidies and above all to the replacement of the system of sliding duties by a traditional system of protection at the frontier based on ad valorem tariffs which cannot be adjusted because of changes in international prices or of variations in exchange rates and of course exclude any possibility of uncompensated increases in bound tariffs, whether they are called rebalancing or by any other name.

We also wish to point out that the other results must entail benefits for all the participants, with greater opportunities of access, balance in the matter of subsidies, anti-dumping and countervailing measures, and disciplines in the new subjects that would open prospects for a greater diversification of their economies.

The Argentine delegation will do its utmost in the coming days to ensure that Brussels is a success. We are here with reasonable bargaining positions and we therefore extend our hand to those who with the same political will and determination want to meet the challenge we are facing.

Our convictions being reasonable, they are steadfast. They cannot allow the development and well-being of our peoples to be jeopardized because some governments may not know how to, or may not want to, face up to the need for change.