

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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## HONG KONG

### Statement by Mr. Michael D. Cartland Permanent Representative to GATT

From the perspective of this delegation, the past year has been a period of intense activity arising from the conjunction in GATT of two major processes: the renewal of the Multifibre Arrangement and the launching of the Uruguay Round. Much has been said already about both these topics and I will therefore confine myself to only the briefest comments on each.

On the MFA, I would observe that by securing a further period of stability in the sector of textiles and clothing, the renewal of the MFA removed a potential obstacle from the path of the Uruguay Round and thus played a significant part in facilitating the launching of the Round. It has thus once again been the fate of textiles to be the price that has had to be paid, and once again the question remains of how long textiles must continue in this rôle? One thing is certain, and that is that when the question of liberalizing trade in this sector comes to be addressed in the Uruguay Round, the negotiations will be pursued with all the vigour and determination that such an intractable problem deserves.

As regards the launching of the Uruguay Round itself, it should not be forgotten that this was not solely the product of pressures between the major parties. On the contrary, a significant part of the process was an emerging consensus among a large number of smaller and medium contracting parties brought together by a commonly perceived need to protect their own trade interests and to defend the multilateral system. This was a moderate consensus of the middle that transcended the traditional divide of developed and developing. It ensured that the launching of the Round was achieved with broad-based support, and the fact that it occurred is a sign that the interests of all, and not just the major trading powers, will have to be respected during the progress of the Round.

Finally, I must agree with those who have emphasized the need to settle the organizational aspects of the Uruguay Round at an early date. It is important to the credibility of the process that we should not be held up at the outset by procedural wrangling. On the other hand, it is important to get the structures right and it is necessary to spend a little time to do that. We should make every effort to ensure that this necessary phase is completed within the next two weeks so that we will be ready to embark on the negotiations themselves when work resumes early in 1987. We will no doubt all continue to be mindful of the fact that as the economic and political environment affecting world trade deteriorates, so the need to ensure the success of the Uruguay Round correspondingly increases.