

# GENERAL AGREEMENT ON

## TARIFFS AND TRADE

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### ASEAN

#### Statement by H.E. Mr. Poerwanto Ambassador, Deputy Permanent Representative of Indonesia

Reviewing the developments in world trade since the Forty-Fourth Session, the ASEAN delegations have come to a conclusion that we have been facing mixed signals in the evolution of world economic development. The international scene has over the past year significantly changed, offering both challenges and opportunities in the world economy and for the development prospects of the developing countries.

In spite of far-reaching developments in the international economy, the developing countries still continue, for the most part, to be plagued by a multi-faceted economic crisis that has become more entrenched. The modest economic growth in the developed countries has not yet been enjoyed by a large number of developing countries. On the contrary, most of the developing countries have remained mired in sluggish growth, stagnation and regression.

The ASEAN delegations also wish to say in this respect that manifestation of such deterioration in the world economic environment can be clearly seen in the inter-related areas of money and finance, external debt, commodity prices, international trade and development. The prolonged and crippling debt crisis that has held many developing countries in a stranglehold throughout much of the 1980s has not yet been adequately resolved. Commodity prices have not recovered from their slump in 1982, and the terms of trade for commodities have further deteriorated as prices of manufactured products imported by the developing countries continue to rise. In addition to this, protectionism against tropical products and agricultural products, including export subsidies, have created further distortions in these markets. Urgent actions to remedy the world commodity price situation are therefore paramount in this regard.

In this connection, the ASEAN delegations wish to express their concern as to the evolution of the negotiations in the Uruguay Round. Notwithstanding this Round, standstill and rollback violations continue and together with unilateral and sectoral arrangements by the developed countries -- which contravene the GATT principles and disciplines -- those violations clearly undermine the effective operation of the multilateral trading system, as well as militate against the exports of the developing countries.

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The ASEAN delegations would also like to state their disappointment with the slow rate of progress made in certain negotiating areas, particularly in the areas of special interest to the developing countries, like, among others, the Tropical Products negotiations. The ASEAN delegations believe that progress must be balanced among the various negotiating groups. These delegations are concerned that the commitments set out in the Ministerial Declaration have not been adequately transformed into tangible actions by the major participants during the course of negotiations. Negotiations in the sector of tropical products could be used as an example. In this respect, the commitment to recognize the importance of trade in this sector for a large number of less developed participants -- including the ASEAN contracting parties -- could receive special attention as provided for in the Ministerial Declaration.

Another point of great concern to the ASEAN delegations is the attempt by some major developed participants to place the participation by developing countries on the same footing as that of developed countries. This is really contradictory to the Punta del Este Declaration, which clearly lays down the principles governing the negotiations, which, among others, stipulate that the developed countries do not expect reciprocity for their commitments made in trade negotiations to reduce or remove tariffs and other barriers to the trade of developing countries.

In the view of the ASEAN delegations, this situation should be corrected during the rest of the negotiations if the participation of the developing countries in the Uruguay Round is to be expected.