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HONG KONG

Statement by Mr. K. Broadbridge Permanent Representative

The annual session of the CONTRACTING PARTIES provides an important opportunity to take an overview of the GATT and the multilateral trading scene and to identify our particular sensitivities and aspirations.

From the Hong Kong perspective, we are encouraged by the steady increase in GATT membership and by the fact that others are in the process of seeking membership. GATT must have something to offer. We have also been encouraged by the increased use made of the dispute settlement process. In a sense this might be thought a worrying development, but we incline to the view that this is a natural consequence of an increasingly complex and dynamic trading system, and it is encouraging that contracting parties are prepared to use the GATT to settle their differences. In this respect, the improvements in the dispute settlement procedures agreed at the Mid-Term Review were timely and helpful, but we need to take this much further if we wish to get to the final, and most important stage which is the prompt removal of a measure ruled inconsistent by a panel.

We also applaud the Mid-Term Review decision to introduce, on a trial basis, the Trade Policy Review Mechanism. The first country reviews will take place next week. While it remains to be seen to what extent the objectives of this mechanism can be fully realized in this first test, our first reading of these reports would indicate that we have at least put in place a useful procedure which should significantly contribute to our better appreciation of the full range of individual contracting parties' trade policies and practices, which should eventually strengthen the collective evaluation process.

As we have noted on other occasions -- on many other occasions -- we are concerned about the threat of, and indeed the use of, unilateral action. This has no place in a multilateral trading system. And we are also concerned about the increasing use of anti-dumping action in circumstances which look more like a new, insidious, form of protectionism than a proper use of the GATT provisions. We are hopeful that the Uruguay Round negotiations will, among other things, solve both these problems.

On the Uruguay Round, I will save our detailed comments for the Trade Negotiations Committee in two weeks' time. But I will just note that in Hong Kong's view it is essential for all to be keenly aware of the differing priorities of participants. The rate of progress will vary,

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depending on the dynamics of a particular topic or group, but an impasse, as at Montreal during the Mid-Term Review, is something we have to avoid if the credibility of the multilateral system is to be maintained.

But overall, despite our inevitably differing perceptions, priorities, disappointments and apprehensions, what seems to emerge from the interventions of the last two days -- and is most certainly the position of this delegation -- is that the GATT is alive and that there is indeed a renewed commitment to its future.