

# GENERAL AGREEMENT ON

## TARIFFS AND TRADE

SR.46/ST/4  
4 January 1991

Limited Distribution

CONTRACTING PARTIES  
Forty-Sixth Session

Original: English

### EGYPT

#### Statement by Mr. Maamoun Abdel-Fatah Commercial Counsellor

The CONTRACTING PARTIES meet this year on the eve of a middle of crossroads which would decide the future of the trading system that will take us through to the end of this century and the beginning of the next.

I cannot avoid but devote my statement at this session of the CONTRACTING PARTIES to the Uruguay Round, as the spotlights of the whole world have focused on this Round.

The Uruguay Round, which is now prolonged for a brief period, will determine the future of our trading system. It will paint and define a portrait in which all will appear, or a system which will benefit only some and leave others aside.

Coming back from Brussels, only a few days ago, we had a chance to look back and evaluate the situation. I am sure everybody did the same thing. It is vital to ponder calmly and thoughtfully on what has elapsed and what we should be doing in the few weeks ahead, with the following objectives:

- First: to safeguard four years of hard work and preserve valuable resources invested in the negotiations;
- Second: to ensure a balance of benefits and obligations for every country in the final outcome;
- Third: to reflect faithfully and put in concrete terms the differential and more favourable treatment for developing countries; and
- Fourth: finally to make sure that the trading system emerges solid and equitable enough to accommodate varied interests and aspirations.

In doing so, we have to discuss jointly how we can avoid the mistakes of the past that come by trying to push for hasty and less ripe results.

We should possibly adjust our goals and objectives in a spirit of pragmatism. We should carefully revisit the conduct and methods of negotiations. These should continue to be based on good faith, free will, full transparency, and mutual appreciation of each other's hopes and difficulties.

We should not lose the momentum and try hard to conclude the Round successfully, but in the meantime put some corrective adjustments to the process of negotiations.

Let me stress some of the remarks my delegation wishes to point out:

1. Agriculture has held the negotiations back again. Although we acknowledge the importance of agriculture to many countries including Egypt, yet, we have to do something towards reaching a solution, and in the meantime stop its unnecessary dominance on the rest of the negotiations.
2. In Textiles, we have to find a quick solution not only because it holds together with agriculture the main areas of interest to developing countries, but because the MFA expires on 31 July 1991 and textiles trade has to be regulated under a system; it cannot be left in a vacuum without the MFA and without a new régime.
3. In the new areas, developing countries have approached negotiations in these issues with apprehension. The subjects are new, and being so, they carry elements of uncertainty and unknown risks. It should be emphasized that a prerequisite to satisfactory agreements in these areas is to take into account the development needs of developing countries, as well as their capabilities in assuming new or increased obligations. Developing countries including Egypt have shown the necessary flexibility within the limits of their capabilities and have tried hard to accommodate demands by developed countries. It is now their turn to show similar flexibility and prove they do appreciate the concerns of developing countries through specific and practical terms.
4. As for the rules of GATT, let it be clear that we are quite keen to see them becoming more clear and strengthened, they are our protection -- being the weaker and the smaller. But it has also to become clear that the system has to make room for countries like Egypt which are the majority in GATT. They are small trading countries who have a limited capacity to diversify their exports or are marginal in their competitiveness; if the system is simply to continue to ignore them, they eventually will be driven out of it. This has to be carried out in the spirit of what is contained in the Punta del Este Declaration regarding the "development, trade and financial needs" i.e. in the context of their export aspirations or their level of obligations.

The world economy is now overshadowed by the nightmare of a possible recession. The Gulf crisis in which Egypt stands to be the country most seriously affected adds to this uncertainty. Why don't we make trade and the GATT system the way out of this gloomy picture? This will all depend on participants getting out of their entrenched positions and working for a compromise in all areas which will bring the Round to its success.

You can rely on us in achieving this goal.