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**1993 - A MOMENTOUS YEAR FOR TRADE,
BUT REAL AND PRESSING CHALLENGES REMAIN**

"Our biggest challenge is to ensure the credibility of the World Trade Organization (WTO) is established as quickly as possible. It will not happen automatically," says Peter Sutherland, GATT Director-General, in his introduction to GATT Activities 1993, published today¹ (19 September 1994).

"The mere existence of laws, disciplines and obligations at the international level, just as at the national level, does not in itself determine or secure respect or responsibility within the system. Once more, it will be the attitude of the major industrialized countries which will set the tone for the future. Their approach to implementation of their commitments; their use of the new dispute settlement procedures; their commitment to multilateral cooperation as the determinant of all other trade relationships; these will be the tests."

Mr. Sutherland adds that all WTO members "will need to live up to their responsibilities if the system is not merely to be born but to develop and thrive. I prefer to take the optimistic view that they will do exactly that."

The Director-General refers to 1993 as a momentous year for trade because it was the year in which governments throughout the world accepted their responsibility to bring the seven-year-old Uruguay Round to a successful conclusion. However, Mr. Sutherland adds: "The challenges that remain

¹ GATT Activities 1993 is available in English and will shortly be available in French and Spanish. It can be obtained from the GATT Secretariat, Centre William Rappard, 154 rue de Lausanne, 1211 Geneva 21. Price SwF 20.-

may be less dramatic than the final stages of the negotiations last December, and they may appear less substantial; but nevertheless, they are very real and pressing."

"We are already getting uncomfortably close to the day on which the new World Trade Organization is due to be established - 1 January 1995. Clearly there is a need for public and parliamentary debate at the national level, on the detail and intention of these far-reaching agreements. Governments have an obligation to explain what they have negotiated. At the same time, the new trading system has been a long time coming and the world economy is very much in need of the stimulus the new rules and market-access opportunities will provide."

Mr. Sutherland adds that ratification is all the more urgent because of the "considerable overhang of negotiations from the Uruguay Round." Referring to the negotiations in services - where work has started on maritime transport, basic telecommunications, movement of natural persons and financial services and is to finish at different points over the period to July 1996 - Mr. Sutherland says that together, the results "should lead to a very substantial extra boost to the already impressive commitments in the services area."

Other issues now facing GATT Contracting Parties, says Mr. Sutherland, concern trade and the environment, where work has begun under a sub-committee of the Preparatory Committee responsible for the transition to the WTO and the accessions of the many countries and customs territories seeking to join the GATT or the WTO. "The last few months have seen a big drive to advance negotiations on China's re-entry into GATT and subsequently, the WTO. In all we have accession requests at some stage of consideration from about 20 other countries and indications that several others will wish to become members of the WTO in the near future."

GATT Activities 1993 reports on every aspect of GATT's work during 1993 and early 1994 and contains a detailed description of events leading up to the conclusion of the Uruguay Round. It covers the many disputes brought to the GATT for resolution, developments in regional trade agreements and arrangements, the work on new accessions, the Tokyo Round Committees and activity related specifically to developing countries. It also looks at general trends in international trade performance and policies.

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