

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Statement by the ASEAN Countries on Cairns Proposal

May I, on behalf of ASEAN contracting parties, thank Ambassador Oxley for his introduction of the Cairns Group's proposal.

Agriculture is a most significant sector to ASEAN. More than 55 per cent (56.48 million) of the regions' labour force (100.5 million) depend on agriculture. It accounts for 21 per cent of combined ASEAN GDP (\$45 billion out of \$211 billion), and about 25 per cent of total ASEAN exports (\$19.2 billion out of \$75 billion).

We are also significant importers of agricultural products and food.

World trade in agriculture has been in constant turmoil. Events of recent years and especially in recent months have pushed trade in this sector to the brink of all-out wars between major trading partners. This will eventually spell out catastrophe to all trading nations. No one country could be insulated or isolated from the disastrous effects of short-sighted agriculture policies being persistently pursued by certain countries and groups of countries.

We have all agreed in Punta del Este, what is urgently needed, is to redress and set right this situation and what is required is a strong and concerted action at multilateral level.

With this in mind, ASEAN contracting parties have worked among themselves and within the Cairns Group in the search for practical and enduring solutions to the problem. And today the Cairns Group has tabled, what is in ASEAN's view, a practical and comprehensive proposal for negotiations.

To achieve maximum results, the negotiations must encompass the widest possible participation. This would mean that all exporting as well as importing countries must benefit from the final outcome of this ambitious negotiation. ASEAN contracting parties are pleased that the Cairns Group's proposal has taken full account of the interest of all contracting parties.

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ASEAN contracting parties are also pleased that the Cairns Group which comprises countries of that different level of economic and social development, realizes and emphasizes that different stages of development, financial and trade needs of developing countries must be taken into account in its proposal. This is reflected clearly and specifically in the special and more favourable treatment for developing countries embodied in all the elements of the proposal. It offers practical application of S and D treatment to developing countries in the negotiating process as well as in the implementation phase.

As a comprehensive approach the proposal encompasses all traditional agricultural products in the GATT context and the whole range of trade distorting policies and measures, access barriers and phytosanitary regulations.

ASEAN contracting parties note that tropical products has a separate negotiating group by itself and should therefore be negotiated separately. Reasons for this are well known and need not be repeated here.

In conclusion, we believe that the balanced approach taken by the Cairns Group is a good start for the complex negotiation that lies ahead of all of us.