

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG5/W/38

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Group of Negotiations on Goods (GATT)
Negotiating Group on Agriculture

NEGOTIATING GROUP ON AGRICULTURE: STATEMENT BY
THE DELEGATION OF EGYPT ON 8 DECEMBER 1987

All the way through, since the first meeting of this Group, our delegation has tried to point out the interests of our country in the work of this Negotiating Group.

You may recall that we said that Egypt is still par excellence an agricultural country and how important the agricultural sector is to its economy either in share in GNP or the number of people engaged in it. Egypt has turned lately to be one of the major importers in a number of agricultural foodstuffs but the country is still capable of producing and exporting other products.

In our earlier interventions we have highlighted our interests as an exporter and asked for liberalization and market access to our exports, being a developing country and a small supplier.

We did not pronounce ourselves as regards subsidies, for we believed that this should be a struggle among elephants; a subject that should be settled among themselves.

We did not also pronounce ourselves on our position as a developing country importer of foodstuff and other agricultural products.

But in fact we have asked, through you Mr. Chairman, the secretariat to present a paper highlighting the interest of developing countries, which they thankfully did. It is now a working paper in front of this Group carrying the number NG5/W/13. The paper points out the importance of agriculture to developing countries in terms of exports and the high dependence of some developing countries as net importers.

A little later discussion developed further and since July specific proposals have been tabled and positions have started to evolve. Now we find ourselves forced to react to some of them and put before the Group the following remarks:

- (1) It is recognized among all of us that negotiations should take into account the interests of all countries, developed and developing, exporters or importers.

(2) The development element in these negotiations should not be neglected, overlooked or even taken lightly. Up until now various proposals have mentioned "developing countries" but in a vaguely phrased manner; the reason behind this may be that we have not entered into real negotiations yet. So we are still unable to comment on them before they become more clearly outlined and specified.

(3) The 'PSE' was discussed and evolved in the OECD. It has come out in the EEC and United States proposals and further explained by the secretariat. It addressed real problems in agriculture trade and it may help solve such problems. Yet, it does not address and cannot be used as a yardstick to measure support in all countries, even if modified to 'TDE' as explained in Nordic proposals.

(4) Quite related to the previous point: developing countries, especially net importers, should be allowed to adopt measures including incentive programmes which would allow them to achieve two main objectives:

- (a) to continue the development process through overcoming and correcting structural deficiencies such as low productivity, small-scale cultivation, underdeveloped technologies, etc.;
- (b) increase production to meet increased consumption and to bridge food shortage gap.

Of course, there are other non-economic objectives, social, environmental and others which should also be taken into account.

(5) In the search for solutions to the problems of imbalance between supply and demand and how to deal with existing surplus, the interest of developing country importers should also be duly taken care of.

We may come up with other ideas or proposals at a later stage.