

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED
MTN.GNS/W/35
20 April 1988
Special Distribution

Group of Negotiations on Services

Original: Spanish

COMMUNICATION FROM ARGENTINA

The following communication has been received from the delegation of Argentina, with the request that it be circulated to the members of the Group of Negotiations on Services.

STATEMENT BY THE REPRESENTATIVE OF ARGENTINA,
AMBASSADOR LEOPOLDO TETTAMANTI,
AT THE MEETING OF THE GNS ON 24 MARCH 1988

We should like to make some comments on today's discussions since our document has again been referred to, although essentially I think Alberto Dumont replied to the main questions yesterday.

In the first place, once again we should like to thank delegations for their positive reaction to our document here. I should like to say that the Argentine paper has been a modest and constructive attempt to state our views with regard to the negotiations in which we are engaged, and take up the challenge that has repeatedly been made in the debate concerning concrete proposals in connection with the development dimension in the framework agreement we are negotiating: Obviously, we have done so tentatively, and this paper must be discussed and improved upon.

We have taken as our basis the objectives of the Punta del Este Declaration, and as Ambassador Schukla has said, these objectives can be read in different ways according to what country you represent here.

For us, obviously, growth and development and expansion of trade take priority over liberalization, but we believe that these three objectives can be brought together in a synthesis.

From this standpoint, we, as a developing country, have tried to establish a bridge and enter these negotiations stating that we are convinced that obviously we must reach this framework agreement as soon as possible: it is essential for international trade, and that is the main objective of our real agenda in these negotiations on services.

Thus we believe that while there are obviously many differences between the various papers that have been submitted here, there is also much common ground.

We believe that between the Argentine proposal and, for example, the Nordic proposal, the two papers we have been discussing, there are many differences, many completely different points, but essentially there is the same overall step-by-step approach with regard to the possibilities of what can be achieved in these negotiations.

Obviously, the main objective of our paper has been to try to begin to outline what we believe can be the provisions to be included in a framework agreement in order to achieve development objectives.

We have heard a great deal about our proposal, some comments and some criticisms of which we have duly taken note. We shall not reply to them now, since Mr. Dumont did so yesterday. We shall think about them, but we wish to say in all modesty that we have tried to state what we believe should be the provisions of the framework agreement, and also subsequently of the sectoral agreements, so as to deal with the objectives in terms of production, export, import and co-operation, including the transfer of technology, which touch upon the fundamental interests of developing countries.

The other point that has been highlighted in our paper concerns national policy objectives.

We wish to say that we draw a distinction, as Ambassador Anhel said yesterday, between, for example, liberalization, deregulation and harmonization.

We do not intend to deregulate our national policies, nobody is going to deregulate them, but we are going to negotiate them and we are going to harmonize them.

From this standpoint, we draw a very clear distinction between national policy objectives and the laws and regulations in which they are expressed, and if there has been any doubt about this concerning our paper - as the delegation of New Zealand expressed - we wish to be perfectly clear on this score.

Nobody is going to negotiate on the essence, the foundations, of national policy objectives, but we are going to negotiate on laws and regulations: because in the new period we are entering, one of growth and liberalization of trade in services, quite obviously, just as we have done with barriers to trade in goods, we will be negotiating a reduction of regulations that adversely affect trade, as stated in the Nordic paper, for example.

Without going into technical details, this is what we wish to say about our view of what we should be doing here.

We link national policies, laws and regulations with uniform treatment.

We believe that starting from the acceptance of uniform treatment, that is to say, non-discrimination among suppliers, by means of the most-favoured-nation clause, and on an optional basis, perhaps, and under the principles and rules of a framework agreement, we should negotiate sectoral agreements in which, with the passage of time, in the same way as has happened during the lifetime of the GATT, we will move towards deregulation and the harmonization of our national laws aimed at encouraging the growth and liberalization of trade in services.

What will the framework agreement contain? What will the sectoral agreements, which must be consistent and complementary, contain? These are the subjects to be covered by the negotiations.

The framework agreement will have more or less substance according to the amount of agreement we reach. But obviously, what is important in this context is the progressive approach in our work.

We want a first objective, namely, a framework agreement, and a second, complementary objective, namely, expansion and liberalization through sectoral agreements.

For us, these are not two parallel things. Our approach is much simpler, because this is also a very difficult issue: we see this as a sequence.

We believe that we should achieve a framework agreement, and under that framework agreement negotiate sectoral agreements; whatever is not in the framework agreement will be in the sectoral agreements, and the general principles and rules of the framework agreement will be better developed and spelled out in greater detail in the sectoral agreements, according to the specific nature of each agreement.

But this is a long story - and who knows when it will end - as is the long history of the GATT to this day, which has not yet ended; but there is a starting point, as Ambassador Anhel said, and that starting point is the framework agreement.

We believe that the framework agreement is the purpose of this Uruguay Round, and we believe that it is possible, somehow and perhaps very soon, to lay down the basic principles of this framework agreement.

We believe that during the Uruguay Round it will be possible to achieve this multilateral agreement, and we believe that under this multilateral agreement, and on that basis, it will be possible to expand and liberalize trade in services, taking account of the interests of developing countries and their fundamental objective, namely, growth and development.