

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

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Group of Negotiations on Goods (GATT)

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Negotiating Group on Safeguards

COMMUNICATION BY ARGENTINA

The following statement, made by the representative of Argentina at the meeting of the Group on 30 May 1988, is being circulated at the request of the delegation of Argentina.

STATEMENT BY ARGENTINA IN THE NEGOTIATING GROUP ON SAFEGUARDS

Our delegation has asked for the floor in this Negotiating Group in a general way because of the importance it attaches to progress in the Group's work and to finding common ground for the success of the Uruguay Round, particularly as regards the mid-term review meeting set for December in Montreal. We would find it hard to understand a first global agreement, which we are working for and want to achieve on that occasion, which would be lacking specific commitments in this field.

The question of safeguards is linked with the most serious imbalances in international trade and the gravest shortcomings in the application of the General Agreement, as a consequence of the exceptions applying to quantitative restrictions and subsidies, the existing waiver for textiles products through the Multifibre Arrangement and the proliferation of grey-area measures. Developing countries are undoubtedly those worst affected by this state of affairs, which has been reflected in the deterioration in the terms of trade and the large decline in their export earnings.

However, currently we are concerned not only at the strictly commercial aspects but also at the serious delays in the structural adjustment that ought to have occurred in importing countries that protected themselves by this kind of discriminatory action, through the trade-distorting misuse of safeguard measures. Hence the inclusion of this issue among the objectives of the Ministerial Declaration of the Uruguay Round, as a vital necessity to reverse protectionism and discrimination and foster the liberalization of international trade on firm foundations.

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That is why we are concerned at the way in which work is progressing in this Negotiating Group. While proposals of unquestionable importance have indeed been submitted by developed and developing countries, and a work process is being drawn up on the basis of the elements set forth in the Ministerial Declaration, we for our part cannot see any clear political determination to go to the meeting of the Trade Negotiations Committee with a set of points of agreement in this field.

This is not to say that for the Montreal meeting we must have concluded the negotiations, but rather we must have a clear indication of progress, in accordance with the priority attached to the issue of safeguards in the Punta del Este Ministerial Declaration, which is the reason why our negotiating terms of reference provide for a single phase, as a clear demonstration of priority.

Ministers were clear in their indication with regard to the negotiation of a safeguards agreement on the basis of the fundamental principles of the General Agreement. Their terms of reference should be respected, and clearly taken into account if the mid-term review meeting is to live up to the expectations we have set ourselves in the Uruguay Round. This is the message which I have been instructed to convey on this occasion. The Argentine Government is convinced that henceforth it is necessary to impart greater speed and flexibility to the work of Negotiating Groups, and particularly to that of this Group, for the reasons I have given; and to give political priority to progress in its work up to the end of the year, as the sole means of achieving the results that are so very necessary.