

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Trade Negotiations Committee
Meeting at Ministerial Level
Montreal (Canada), December 1988

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MEXICO

Statement by Mr. Jaime-Serra Puche,
Secretary for Trade and Industrial Development

Mexico is aware, in attending this Mid-Term Review Meeting, of how important it is to evaluate the progress made in the Uruguay Round negotiations, and is convinced of the need to step up efforts in the next two years to achieve the goals we set ourselves at Punta del Este.

I wish to congratulate the Chairmen of the various Negotiating Groups and the GATT secretariat for the work they have accomplished and to express particular thanks to the Government of Canada for its effort and kindness in offering to host our deliberations in the beautiful city of Montreal.

A Mid-Term Review is, by definition, an occasion for assessment and reflection. We are meeting to analyse the achievements of the first two years, and to see what agreements we can adopt and what measures are necessary to give new momentum to all those matters that remain in abeyance.

The spirit of any negotiation must always be one of balance. Punta del Este saw the beginning of the most ambitious negotiating round in the history of GATT. We all took up that challenge. Together, we defined the areas of negotiation. Today, we must authenticate our commitments and avoid, at all costs, establishing an unwarranted hierarchy of topics. For us, there are no first- or second-class topics.

Mexico supports the inclusion of the new items in the agenda of international trade: services, trade-related investment and intellectual property, on the understanding that an overall balance will be sought in the results of the negotiations and that parallel progress is made in all the Groups, particularly in those which are of special interest to developing countries.

In Mexico, we are convinced of a principle which has been confirmed by the new Government that I have the honour of representing: trade policy must avoid economic distortions which foster inefficiency in production and ignore the economy's comparative advantages. Only a few days ago, at his

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investiture, President Carlos Salinas reiterated his Government's intention to strengthen this principle of trade policy.

In keeping with that policy, Mexico, along with all the participants in the Uruguay Round, committed itself to taking standstill and rollback measures. After examining the reports submitted by the Groups of Negotiations on Goods and on Services and by the Surveillance Body, I am bound to express my disappointment at the lack of results. Protectionism continues to obstruct the access of our products and the progress made, after two years, towards eliminating such measures is unsatisfactory.

Mexico's unilateral liberalization efforts have, without any doubt, benefited our trading partners. We feel that our efforts should be reciprocated by greater access for Mexican products on those markets.

Protectionist trends have undermined the effectiveness and credibility of the multilateral trading system. Over forty years after its creation, the trading system established under the rules and principles of the GATT is being called into question by the proliferation of non-tariff measures.

The world trend towards modernization demands an international trade that is open, fair and operational.

Mexico, as a country struggling to achieve its full development, is worried because we have not been able to find in the framework of GATT mechanisms to make operational the unquestionable link that exists between trade and financial problems.

The stability and sustained growth of indebted economies demand a reduction of the net transfer of resources abroad. Internal adjustment measures have their limits. It is not possible to insist on a country's full compliance with its international financial obligations without giving it full access for its exports.

The principle of special and more-favourable treatment for developing countries, embodied in the General Agreement, must be maintained; we see no justification for weakening it. As participants in this meeting we must reaffirm it, so as to establish concrete ways and means during the Round to apply it in the various areas of negotiation.

Mexico will spare no effort to ensure that this meeting is a complete success. For us, success means achieving results that reconcile interests. We accept the challenge that this implies. My country reiterates its intention to continue participating actively in the future negotiations of the Uruguay Round, which is a unique opportunity to improve the international trading system and one which we cannot and must not waste.