

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Trade Negotiations Committee

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Meeting at Ministerial Level
Montreal (Canada), December 1988

CHILE

Statement by Mr. Hernán Büchi Buć
Minister for Finance

I wish to thank the people and authorities of Canada and of the city of Montreal for their hospitality, which has made possible our deliberations this week.

We are attending this meeting because we consider this mid-term review of the multilateral trade negotiations timely and necessary. We have the opportunity to give a new impulse to the Uruguay Round at the highest level and, where necessary, to correct the course which the negotiations have taken in the last two years.

But we are also attending, convinced as we are that this meeting, in addition, gives us an opportunity provisionally to implement the first concrete agreements that would provide the Uruguay Round with an auspicious precedent and would send a positive signal to the outside world, which is expecting much from us.

A detailed reading of the reports of the negotiating groups, and the consultations which I have had, bring me to the conclusion that work has undoubtedly been done: many documents have been produced and meetings held which are valuable for the work that still lies ahead of us. However, I think that the worst we could do is to have an attitude of complacency, confusing activity with results. I do not think there is room for satisfaction or for self-congratulation. We are rather left with a certain feeling of frustration because of the lack of concrete progress on fundamental matters. It would seem that there has been a serious gap between rhetoric and practice.

The eloquent speeches we often read in favour of free trade have unfortunately not been translated into concrete decisions in these first two years of the Uruguay Round. The only concrete result seems to be that it has been decided to continue negotiating. Perhaps that is still something, but certainly less than what we expected when we met at Punta del Este.

One would be justified in thinking that there seems to be a lack of political commitment to the objectives of the Uruguay Round, since no substantive progress is measurable in areas clearly mentioned in the Ministerial Declaration of Punta del Este. For the sake of brevity, I shall mention only a few: standstill and rollback, areas in which there has not only been no progress, but even retreat; textiles and clothing; natural resource-based products, where, despite the fact that the subject has been under consideration since the Ministerial meeting of 1982, no really specific agreements have been reached to be examined at Montreal. Not even in the matter of tariffs, which is part and parcel of the GATT, has there been significant progress. The reports submitted for consideration by us do not record any concrete results. It would seem that there is agreement only on how to present the disagreements.

Against this background, we are concerned that if the political decision does not exist, or is not taken, to make the Uruguay Round a success, the results at the end of 1990 could be similar to those which we have been called upon to evaluate today.

And if this were the case, what progress would have been made towards achieving the objective of liberalizing world trade and strengthening the rôle of GATT in the international arena?

Much still remains to be done if we are to achieve the objectives of the negotiation and make substantial progress.

We therefore take the opportunity offered to us by this meeting to urge all those who have come here to create conditions so that negotiations can move forward immediately, since we believe and hope that, despite what has happened during the first two years, we shall be able to bring this Round to a satisfactory conclusion, something that will bring benefits and greater well-being to everyone.

My country has come here to reiterate its well-known commitment to a free economy and to free international trade, in which the allocation of productive resources at the global level is decided in accordance with the rules of the free market, in other words, in accordance with the comparative advantages of the members of the international community, since it has been amply demonstrated that it is this system whose operation is of benefit to everyone.

To this end, we are ready to do all that is in our power to co-operate in the endeavour to reconcile the different positions and achieve results satisfactory to all.

I should like to refer, in particular to the subject of agriculture, though, since I am sure that a great deal of attention will be given to this matter at this meeting. I shall say only that my country reiterates its unequivocal and unchanging commitment to its continued participation in

the Cairns Group; in our view, actions and commitments suggested by the Group, together with the political decision that is absolutely necessary, can afford a basis for an agreement acceptable to all.

In conclusion, I should like to repeat that, for those of us who have responsibility in our countries for foreign trade policies and who believe that GATT is the appropriate forum for establishing a multilateral system of free and stable trade, it is of fundamental importance that, out of this meeting, should come guidelines and agreements that will ensure the success of the Uruguay Round. I reiterate our commitment to co-operate to the best of our ability so that this may become a reality.