

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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URUGUAY

Statement by Mr. Luis Barrios Tassano  
Minister for Foreign Affairs

The statements of the speakers who have preceded me have been most eloquent in two respects: firstly, by emphasizing the importance of this Conference not only for the multilateral trading system but also for the international economy as a whole; and secondly, by highlighting the need for this Meeting to achieve concrete results immediately and establish clear guidelines for the negotiations which have to continue until the end of the Round, in such a way that all participants feel that their real interests have been provided for.

Our delegation considers that the best contribution it can make to this important and difficult task is to state, briefly but clearly, the elements of these global negotiations which should be reflected in the conclusions of our work.

To begin with, there is the key importance of agriculture, which is the focus of our country's concerns in the Uruguay Round.

This sector necessarily has to be included in any effort to liberalise international trade. As the Chairman of the Meeting said, it is unacceptable that agriculture should continue to be treated as a "special case" and practically left outside the multilateral disciplines governing international trade, as has so far been the case. This is especially true when the objectives of this Round include advancing in the liberalization of trade in other kinds of goods, and when we are seeking to take action in new areas such as services.

We therefore fully share and endorse the view of the Cairns Group that failure to achieve positive results in this area in Montreal would represent the failure of the Mid-Term Review and would seriously jeopardize the overall prospects for the Round while at the same time dealing a major setback to efforts to strengthen the international trading system.

We believe that the general lines and specific proposals of the Cairns Group represent a balanced meeting-point with respect to the positions of other participants who stand so far apart from one another.

Secondly, we consider it essential that the negotiations, both globally and in specific areas, should take fully into account the essential principle of differential and more favourable treatment for developing countries, through practical measures in each case, thus putting into practice what was laid down in the Punta del Este Declaration. In this respect, the time has come to advance from declarations of intent and mere proposals to specific actions. This Meeting should include in its results elements that favourably reflect this special treatment.

The tariff negotiations provided for under this Round offer countries such as my own scant possibilities of obtaining greater access to markets and improving their share in international trade. Our supply of industrial goods is limited, and is concentrated in sectors which are precisely those that are the most sensitive in the markets of destination, and therefore they face a large number of non-tariff restrictive measures. It is only exceptionally that the elimination or reduction of certain tariff peaks, in textiles and clothing for example, and the correction of distortions arising from tariff escalation in some cases, could cater for our interests or those of other countries in the same position as ourselves.

Consequently, our country's contribution to the analysis of tariff binding and review will be limited and will depend on the gains obtained in the rollback of non-tariff restrictions. These, in our view, are the main obstacle to smooth trade flows, and they greatly undermine our opportunities of access to markets, especially in the agricultural sector.

We share the view that the proper functioning of the GATT system calls for a global agreement on safeguards. We think that agreement should be based on the principle of non-discrimination and should establish reasonable time-frames.

The proper functioning of the system likewise depends on the adoption of flexible and operational dispute-settlement mechanisms which ensure that disputes are resolved on the basis of objective criteria and within a reasonable period of time.

We are in favour of strengthening the functioning of the system in a transparent framework that strikes a balance between rights and obligations, and through the firm political support of governments. We therefore support the proposal that Ministers should participate directly and frequently in GATT activities. Likewise, we therefore cannot endorse proposals aimed at limiting the equitable participation of all contracting parties in matters of common concern. This is a responsibility of all countries, and not just a limited number of them.

Our work to strengthen the multilateral trading system must take account of other mutually interrelated aspects of the international economy, such as the linkage between trade and the foreign debt which overburdens so many countries and limits the debtor countries' payment capacity while hampering their development goals. A greater share in

trade, basically through increased exports, would make a powerful contribution to resolving this problem for the benefit of the entire international community. The Group of Eight recently reaffirmed this at a Presidential-level meeting at Punta del Este. The recognition of the relationship between trade, finance, money and development, and its inclusion in the results of the Uruguay Round in an operational manner, should be an objective of this Meeting.

These few remarks summarize all our hopes and expectations concerning the work that began in Punta del Este under the name of the "Uruguay Round", which is such an honour to my country. To associate our efforts and our country's name with the effort you are all engaged in to achieve a better and fairer world, through a more transparent international trading system, is an honour we need not play down. Our small country is therefore committed to making the utmost efforts to obtain the best results for all countries and peoples of the world taking part in this new Round of negotiations.

Our commitment must consist in advancing this endeavour equitably, by paying due attention to the substantive interests of all countries, by participating, and by ensuring that the lack of a global balance does not prevent any of them from continuing to participate actively in the new phase of the negotiations that we shall begin after Montreal.