

MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND

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Trade Negotiations Committee

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ARGENTINA

Statement by Mr. Bernardo Grinspun,
Secretary for Planning, Special Representative for
International Economic Negotiations

The Argentine Republic was from the very outset a committed and constructive participant in the preparatory work aimed at bringing this Round of Negotiations into being, a process which culminated in the Punta del Este Declaration of September 1986.

In the Uruguay Round itself, my country has pursued these efforts because we are resolved to foster a multilateral trading system which is increasingly comprehensive and based on rules of transparency and equity, which will deter and reduce the widespread protectionism of recent years, while at the same time bringing the elimination of present distortions. The overall aim must be to achieve renewed, vigorous growth of world trade for the benefit of all, in particular contributing to the economic growth, diversification and modernization of developing countries.

At the present crossroads in international relations, the Uruguay Round is particularly important because its outcome will have a decisive effect on the structure of world trade: be it because it will bring the results indicated as objectives in the Punta del Este Declaration, thus leading to a profound change in the composition and volume of trade flows; be it because expectations will be frustrated, accentuating the present trend towards a worsening of trade relations, and even - as a consequence of heightened protectionism - threatening a return to bilaterally-based international trade or a trade war among the major countries of the world, which could reproduce similar conditions to those of the 1930s.

With regard to the specific issues to be dealt with at this Meeting, in the so-called traditional subjects - in particular tariffs, non-tariff measures, tropical products, natural resources, textiles, agriculture and safeguards - we are in favour of rapid progress towards a reduction in barriers to access and the elimination of distortions affecting trade in these areas.

As far as the so-called new subjects are concerned, we note that in the case of trade in services it is necessary to include decisions on the continuation of the negotiations and the definition of concepts in order to elaborate an appropriate multilateral framework to promote growth of this trade, while leaving negotiations concerning the exchange of actual concessions for a subsequent process, the rules for which can be spelled out.

We also consider that implementation of the Ministerial terms of reference regarding intellectual property rights and trade-related investment measures should facilitate the interpretation of rules and the elaboration of a framework for trade in counterfeit goods that will ensure transparency, while at the same time seeing to it that they do not hinder the objective of eliminating distortions that create new barriers to competition and international trade.

With regard to the subjects relating to the functioning of the GATT system, including safeguards, improvement of the Tokyo Round Agreements, subsidies and countervailing measures and the dispute-settlement system, it is our view that these should all be adapted to, and brought into line with, the new situation stemming from the results obtained in the substantive areas to which I have just referred.

We wish to stress our well-known position regarding trade in agricultural products: there must be a firm commitment on the elements of a long-term framework for agricultural reform, which must be supported by new, strengthened GATT rules and disciplines, particularly as regards the elimination of both internal and export subsidies and non-tariff restrictions.

Agreement must also be reached on a programme based on a freeze of protectionist and trade-distorting measures and an initial reduction in support and protection. This will ensure a direct link and consistency between short-term action and long-term reform.

Thus, we express our support for the positions of the Cairns Group, which calls for a substantive reform of trade in agricultural products and its integration in the general GATT rules, recalling that in the Uruguay Round there will be no possibility of progress in other areas in the absence of clear results in agriculture.

More specifically, our position aims to obtain:

- Full implementation of the mandates agreed upon in the "Ministerial Declaration on the Uruguay Round" of 20 September 1986. To achieve this, we must adhere to the principle of globality, without falling behind from the commitments undertaken in the traditional areas (agriculture, tropical products, natural resources, textiles) or going further ahead in the new subjects (services, intellectual property, investment).

- What is essential is the final outcome of the Uruguay Round, and it is therefore necessary to ensure that the objectives covered by the Punta del Este Declaration are achieved in a balanced manner for all participants, while providing, in each of the negotiating sectors and stages, for effective implementation of the principle of preferential and differential treatment for developing countries.
- The Montreal Meeting should see to the implementation of the commitments adopted at Punta del Este (standstill, drawback, tropical products) and at the same time establish stages, dates and procedures so as to provide renewed assurance that we shall move towards the achievement of the final objectives of the negotiations.

We repeat that in this way we shall succeed in strengthening the multilateral trading system based on the GATT, which will allow a change in the composition and volume of trade for the benefit of all and thus make a positive contribution to the growth and expansion of the international economy.

Finally, we also consider that in order to ensure that these results are entire and help to modify the macroeconomic framework of international relations, substantial and concordant changes must take place in other areas.

We therefore advocate a reform of the international monetary system, the results of which should make it possible to avoid the present "volatility" in exchange rates; a reform of the financial system to reverse the present outflows from developing countries and bring effective solutions to the problem of foreign debt and the burden of servicing it, a burden which has long been unbearable; and a reform of the international co-operation system, including a strengthening of programmes of food aid and of technological and productive development.

In this way, by closing the ever-widening gap that separates the industrialized countries from the developing countries, we shall help to build a fairer, more harmonious and more prosperous world society.