

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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Trade Negotiations Committee  
Meeting at Ministerial Level  
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CZECHOSLOVAKIA

Statement by Mr. Jiri Nemec,  
Deputy Minister of Foreign Trade

The Mid-Term Review of the Uruguay Round of the multilateral trade negotiations (MTN) marks an opportunity to further the case of the liberal trading system and to provide fresh impetus to the negotiations during their next phase.

In the two years since the Uruguay Round began good progress has been made in the negotiations in particular in areas like the functioning of the GATT system, dispute-settlement mechanism and tropical products. Progress in some other areas like tariffs, non-tariff measures and natural-resource-based products may seem modest but it has been greater than many expected at the outset. A great deal of intensive work and increased efforts remain in the rest of the outstanding issues. The involvement in the MTN by a broad spectrum of countries is a positive sign of genuine efforts to provide solutions to problems affecting world trade.

In spite of the progress made, the present trading environment is far from being encouraging. Sources of concern are continued protectionism, discrimination and increasing resort to unilateralism, bilateralism and regionalism. We note with concern the recent efforts to strengthen trade legislation in some countries, the existing customs unions or free-trade arrangements and to create new ones. In this connection we should be aware of the fact that multilateral commitments are not in themselves sufficient to generate the gains that would flow from increased trade liberalization if these commitments are not extended to internal, bilateral and regional policies.

The Ministerial meeting offers an opportunity to review the progress in all the areas of the negotiations across the board and redress imbalances taking into account the interests of all participating countries. The meeting should be first of all an occasion not only to reaffirm the commitments to standstill and rollback which are the basic prerequisites for the Uruguay Round negotiations but also to adopt effective Ministerial guidelines to implement them. In our view the issues in the area of non-tariff measures and tariffs should be addressed more

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vigorously in the next phase of negotiations in particular through the application of multilateral and formula approaches.

In agriculture we need a balanced approach, the integral part of which would be also due consideration of importing countries' interests.

For the improvement and the functioning of the whole GATT system is of vital importance the conclusion of a comprehensive agreement on safeguards based on non-discrimination.

The meeting is also an opportunity to embark on concrete and practical steps needed to ensure that fundamental principles and rules of GATT are observed and its provisions strengthened and definitely accepted.

Czechoslovakia is committed to the improvement of the multilateral trading system as it recognizes that one of the fundamental instruments for economic growth is the predictability and stability of this system based on the principles of equality and non-discrimination.

In this respect Czechoslovakia has developed efforts to make a positive contribution to the attainment of the Uruguay Round objectives and has made proposals and submissions particularly in the areas of tariff and non-tariff measures, GATT agreements and arrangements, GATT articles and tropical products.

This approach has been complemented on our part by taking a series of unilateral measures designed to decentralize our foreign trade system, increase its flexibility and transparency and strengthen in it the rôle of economic instruments. In this respect I would like to mention particularly two legislative documents which have been enacted by the Czechoslovak Federal Assembly in this year. One of them is the Act of 10 June 1988, No. 102 Coll which modifies and amends the Act of 10 April 1980, No. 42 Coll on Economic Relations with Foreign Countries, and the second is the Act of 8 November 1988, No. 173 Coll on Joint Ventures with Foreign Participation. Both of them create favourable conditions for greater integration of Czechoslovakia into world economy. From the Uruguay Round Czechoslovakia seeks among other things an improvement of the trade environment particularly through tariff liberalization and removal of discriminatory non-tariff measures and the strengthening of the GATT system and its legal basis. Czechoslovakia recognizes the need to promote adequate protection of intellectual property rights and to deal with trade in services.

The Ministerial meeting is the occasion for testing the political will and the degree of commitment to obligations undertaken both under the GATT and the Ministerial Declaration.

We wish to see this meeting as a success and we are ready to make a positive contribution to the attainment of its objectives.