

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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

GHANA

Statement by H.E. Mr. D.O. Agyekum
High Commissioner to Canada

I would like to begin my statement by congratulating you warmly on your appointment to the high office of Chairman of the Trade Negotiations Committee. Given your rich experience in multilateral diplomacy, my delegation is confident that you will be able to steer the deliberations of this meeting to a successful end. You can count on the fullest co-operation of my delegation in this regard.

I would also like to take this opportunity to express my sincere thanks to the Government and people of Canada for their hospitality and the warm reception accorded to members of my delegation. We are indeed grateful for the elaborate arrangements that have been made as well as the excellent facilities that have been provided for this Conference.

The Uruguay Round of Multilateral Trade Negotiations has been launched, inter alia, to arrest and reverse protectionism, develop an open and viable multilateral trading environment and re-affirm the important rôle of trade in any endeavour towards economic growth.

The Government of Ghana has welcomed this multilateral effort at addressing the imbalances in the international trading system because of its belief that it is only through such a set-up that the interests of all countries, particularly the small and fragile ones, can be adequately guaranteed.

This belief in a liberal trading system has been amply demonstrated by the Government of Ghana during the last few years through the introduction of a number of policy measures, the cornerstone of which is a structural adjustment programme whose main elements include trade and payment reforms encompassing an expanded rôle for a market-determined exchange rate. Another key element of the programme is the gradual elimination of all forms of controls in trade and payments.

Yet another important step taken by the Government of Ghana in the liberalization process has been the introduction in September 1986 of the Foreign Exchange Auction System. The objective of the system has been, among others, to allow the exchange rate to respond to changes in the

demand for and supply of foreign exchange, minimize the use of administrative mechanism in the allocation of foreign exchange and promote trade liberalization through elimination of controls on trade and payments and, thereby, enhance the volume of external trade.

A major plank of the foreign exchange reform is the further liberalization of the import licensing system since October 1986. By this action, the range of goods for which foreign exchange can be obtained from the auction market has been broadened to include almost all non-luxury items. Another important area of the trade régime in Ghana which has seen further liberalization is tariffs. With the market-determined exchange rate now in operation, it was no longer considered desirable to maintain the elaborate tariff structure which, in compensation for the over-valued local currency, helped to keep imports in check. New reduced tariff levels were thus announced in February 1987. At the moment, Ghana's current Investment Code, already considered a liberal one, is under review to remove all investment distorting provisions and to make it more responsive to the current international investment realities.

I have stated, in outline, the efforts that the Government of Ghana has made so far to free the economy from undesirable constraints. I have done so to demonstrate Ghana's deep commitment to the liberalization process. Ghana intends to maintain this resolve, and therefore expects positive responses from her trading partners in order to make the trading environment more predictable and thus enhance her capacity to export.

For a small trading country like Ghana almost wholly dependent on the export of primary products for her foreign exchange earnings necessary to finance her developmental projects, developments in the commodity sector are of major interest to her. I am here referring to the negotiating groups on tropical products and natural resource-based products. Whilst the Government of Ghana seeks the fullest liberalization of trade in these areas, it is at the same time of the view that the Uruguay Round will be meaningless to developing countries, particularly African contracting parties, if at the end of the day they are not able to utilize the advantages that the Round will provide in the trading system. The delegation of Ghana therefore considers it important for the Round to also agree on supplementary measures which would help alleviate the problems of the poor contracting parties. In the rule-making areas, it is again the hope of the Ghana delegation that any new provisions will enhance the effectiveness of the poor countries in the international trading environment.

Finally, I wish to refer to an issue which is of deep concern to Ghana. This issue relates to the export of domestically prohibited goods and other hazardous substances and wastes, and which affects the lives of millions of people, especially in our part of the world. We, of course, recognize in this respect the useful work being undertaken by certain international organizations in this area. But my delegation considers that complementary action in GATT in the trade-related aspects is desirable and imperative.

We have reached a critical stage of the Uruguay Round negotiations - described as the mid-point. The next two years are going to be even more critical. As we take the necessary steps at this meeting to consolidate the gains already made in the first half of the negotiations, the Ghana delegation expects that future discussions and particularly the final outcome of the Round will integrate fully the concerns and interests of the small and vulnerable economies within GATT while making it possible for them to take maximum advantage of the opportunities that would emerge from the Round. We have travelled an appreciable distance from Punta del Este to Montreal and undoubtedly progress made at this meeting would have a significant impact on the final outcome. When we take the last step in two years time, we should be able to look back and say to ourselves, the goals achieved have been well worth the time and effort spent.