

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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

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EGYPT

Statement by H.E. Dr. Yousry Mostafa
Minister of Economy and Foreign Trade

The Trade Negotiations Committee Meeting at ministerial level here in Montreal, is - no doubt - a major event not only for the ongoing trade negotiations and their mid-term review but for the world economy as a whole. The world is watching this event with high expectations and great hopes. Expectations that may pave the way to achieve results for sustained growth and expansion in world trade, and support for the development efforts of developing countries, and hopes for an improved and credible trading system.

We are cognizant of the fact that this Round is an ambitious one by all standards. It is ambitious for the number of subjects covered, time allocated for the negotiations, the vast magnitude of important issues and the number and interests of participating countries. So, in short, we need to join hands and co-ordinate effort to bring this meeting to the high expectations demonstrated a couple of years ago in Punta del Este.

Egypt, like many developing countries has joined the Uruguay Round from a deep conviction of international co-operation and a firm belief that a strong and sound trading system is essential to world sustained economic growth and the development process of developing countries.

Earlier on, Egypt has embarked upon a wide structural adjustment programme, within which a package of economic measures was adopted with a view to liberalizing and stimulating the Egyptian economy. In this context, we have adopted measures to liberalize our foreign trade régime whether through the reduction of tariff barriers as relaxing non-tariff measures, as well as simplifying import and export procedures. All such measures were adopted in spite of the increasing difficulties facing the Egyptian economy which were mainly due to external factors.

We share many of the concerns expressed by other indebted developing countries. We need to achieve a substantial increase in our export earnings in order to be able to honour our debt obligations and we have high hopes that the Uruguay Round negotiations will provide us with an increasing market access opportunity for our exports.

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We certainly believe that trade liberalization is an essential tool for sustained growth of the world economy, and we have committed ourselves to the Uruguay Round negotiations in this positive spirit, and our efforts in this meeting should be to ensure that we are all moving in the right direction.

In pursuing our efforts for trade liberalization we must not lose sight of the special needs of developing countries. The principle of differential and more favourable treatment to developing countries was agreed upon in Punta del Este as one of the general principles governing the negotiations, and we all must co-operate to give it the operational content that it deserves.

While we realize the important rôle of foreign trade in the process of development, the Uruguay Round should result in increasing developing countries' ability to meet their development and financial needs.

In this regard a substantial increase in their export earnings is essential for the implementation of economic development programmes as well as honouring their debt service obligations.

I would like to emphasize the importance of new market access opportunities for our exports of textiles, tropical products and agricultural products.

It is also important for Egypt, as a major importer of agricultural foodstuffs, that due account should be taken of the possible negative effects that it may suffer from the process of reform in agriculture trade.

We must also ensure that in this meeting in Montreal the process of negotiations on trade in services will proceed in the right direction to achieve the objective of promoting growth and development of developing countries as mentioned in the Punta del Este Declaration. In this context the instrumentality of progressive liberalization can play an important positive rôle.

I have come to Montreal with the sincere hope that this meeting must be a success. I have also come with the understanding that the mid-term review is not the end of the Uruguay Round.

We are here to review the progress which was achieved over the past two years and try to seize from the present situation elements that we can adopt. In doing so, we will be signalling our responsiveness to problems of the multilateral trading system. We should avoid difficulties that may arise from differences in interests, on the other hand we must ensure that priorities and interests of all countries are reconciled and taken into consideration. In order to achieve such balance we need to adhere to the spirit and letter of our Punta del Este Declaration.