## MULTILATERAL TRADE NEGOTIATIONS THE URUGUAY ROUND

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Trade Negotiations Committee

<u>Meeting at Ministerial Level</u>

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## TRINIDAD AND TOBAGO

## Statement by Dr. Sahades Bardes Minister of External Affairs and International Trade

It is significant that as a Minister of the Government of Uruguay you sit in the chair at this meeting because, it was Uruguay and the skilful diplomacy of its former Foreign Minister, Dr. Enrique Iglesias which gave the impetus for the launching of this Round of trade negotiations. In this context, I wish to extend to you, on behalf of the delegation of the Republic of Trinidad and Tobago, my most sincere and warm congratulations on your election to this post.

By taking the initiative in hosting this session, Canada also has tangibly demonstrated its own commitment to the exercise in trade liberalization which now engages our attention. To the Government of Canada, I extend my delegation's deepest gratitude for their kind and generous hospitality. My delegation also wishes to express its appreciation for the excellent arrangements which the GATT secretariat, in collaboration with our Canadian hosts, has put in place for the smooth and efficient conduct of our deliberations.

My delegation is of the view that the Uruguay Round of Multilateral Trade Negotiations (MTNs) constitutes a positive and healthy re-definition of the GATT system, a return to the original objectives enshrined in the text of the General Agreement itself.

In that context, I propose to address certain aspects of that re-definition from the perspective of a developing country.

Even from the perspective of a developing country, it is clear that the GATT system in itself is not meant to be inequitable. Rather, it is the absence of enforceable mechanisms which leaves the weaker countries in a vulnerable position and consequently unable to adequately protect their interests.

In fact, the General Agreement explicitly includes developmentoriented provisions which unambiguously validate the principle of differential and more favourable treatment for the less-developed contracting parties. The rationale for these provisions remains unassailable, particularly in the current period of recession in which developing countries must implement harsh measures designed to bring about structural adjustment.

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For Trinidad and Tobago, such structural adjustment measures are especially brutal in a situation in which revenue from our principal export products is less than half what it was as recently as six years ago. Our own situation belies the case which some participants in the current Round of MTNs have attempted to put forward for middle-income countries to make "a greater contribution" to the process of trade liberalization.

This is such an important point that I will make a categorical policy statement: developing countries, steeped in the acute crisis of drastically reduced revenue, a heavy burden of debt-servicing, chronic foreign exchange shortages and consequently painful structural adjustment programmes, do not need the additional punishment of being graduated out of the category of less-developed countries in the GATT.

To the contrary. Now, more than ever, we need to maintain those limited preferences to which we are entitled under the Lomé Convention, the Caribbean Basin Economic Recovery Act (the CBI) and CARIBCAN.

At this point, permit me to comment on the great value which members of the African, Caribbean and Pacific Group of Countries (ACP) attach to the modest preferences which they have secured from the European community under the Lomé Convention.

These modest preferences are totally consistent with the GATT principle of developmental preferential treatment for less-developed contracting parties to which I referred earlier.

Furthermore, the loss of any part of those preferences which might arise from concessions offered in the Uruguay Round by the European Community in, for example agriculture or tropical products, amounts to a concrete contribution to the process of trade liberalization, on the part of a group of countries which includes the vast majority of the world's least-developed countries.

The matter of quantifying that contribution and of clarifying the need for prior consultation between the European Community and the ACP Group will be dealt with elsewhere, in a more appropriate forum.

Suffice it to say for the moment that the concern, which the ACP Group expresses about the effects of the European concessions in this Round on our interests, raises an instructive concept which may be of some relevance to the solution of certain problems which are obstructing the progress of the Uruguay Round. By that I mean that the form in which the European Community will be requested to compensate the ACP countries for any loss of preferences under the Lomé Convention, points the way for trade concessions demanded of developing countries to be balanced by concessions in other areas of international economic policy such as the settlement of external debts owed by developing countries.

This inter-relationship between trade and other economic policies at the international level provides a potentially useful source of equitable and hence mutually acceptable strategies for advancing the work of the Uruguay Round and is solidly based on preambular paragraph (5) as well as on sub-items (iii) and (iv) of the Objectives (Part A) of the Declaration of Punta del Este.

In closing, may I remind Honourable Ministers and Delegates at this Montreal Ministerial meeting that it was that very Declaration which laid down, among other principles, the need for overall balance in the negotiations in order to ensure mutual advantage and increased benefits to all, I repeat, all participants.

The Declaration also stipulated that "negotiations shall be conducted in a transparent manner...".

On these two issues, it is indeed regrettable that developing countries participating in this Ministerial session are witnessing a degree of balance and of transparency that is disappointingly low.

Developing countries are, however, convinced that the concessions which they are making at this juncture of the Uruguay Round, once those concessions are effectively reciprocated in one form or another by our industrialized trading partners, constitute a decisive contribution to the process of liberalization of world trade.

I am optimistic that with goodwill and determination on the part of all participating contracting parties, these deliberations can result in solutions which would redound to the common good of all.

In that context, and on behalf of the Government of Trinidad and Tobago, I wish this Montreal meeting every success.