

MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND

RESTRICTED  
MTN.TNC/8(MIN)  
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Special Distribution

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Trade Negotiations Committee

MEETING AT MINISTERIAL LEVEL

Palais des Congrès, Montreal (Canada), 5-9 December 1988

The Trade Negotiations Committee held its seventh meeting at Ministerial level, under the Chairmanship of Mr. Ricardo Zerbino, Minister of Economy and Finance of Uruguay.

Opening session of the Ministerial meeting, 5 December 1988 at 9.30 a.m.

Order of business:

1. Address by the Right Honourable Brian Mulroney, P.C., M.P., Prime Minister of Canada;
2. Address by the Honourable John Crosbie, Minister for International Trade of Canada;
3. Remarks by Mr. Enrique V. Iglesias, President of the Inter-American Development Bank, former Chairman of the Trade Negotiations Committee at Ministerial level.

1. Address by the Right Honourable Brian Mulroney, P.C., M.P., Prime Minister of Canada

Mr. Arthur Dunkel, Director-General of GATT, called the meeting to order.

Mr. John Crosbie (Minister for International Trade of Canada), Mr. Ricardo Zerbino (Chairman of the Trade Negotiations Committee at Ministerial level) and Mr. Arthur Dunkel greeted Prime Minister Mulroney at the entrance of the building and escorted him into the meeting room.

Mr. Crosbie introduced Prime Minister Mulroney, who delivered an address (MTN.TNC/MIN(88)/1).

2. Address by the Honourable John Crosbie, Minister for International Trade of Canada

Mr. John Crosbie thanked the Prime Minister and delivered an address (MTN.TNC/MIN(88)/2). He then invited the former Chairman of the TNC at Ministerial level, Mr. Enrique Iglesias, to address the session.

3. Remarks by Mr. Enrique V. Iglesias, President of the Inter-American Development Bank, former Chairman of the Trade Negotiations Committee at Ministerial level

Mr. Iglesias addressed the session (MTN.TNC/MIN(88)/3).

Mr. Crosbie declared the opening session of the Ministerial meeting closed, and, with Mr. Zerbino and Mr. Dunkel, escorted Prime Minister Mulroney as he left the building.

First Session of the Trade Negotiations Committee (TNC) meeting,  
5 December 1988 at 10.45 a.m.

Chairman: Mr. Ricardo Zerbino (Uruguay).

Mr. Zerbino delivered an opening address (MTN.TNC/MIN(88)/4).

The following agenda was adopted (GATT/AIR/2708):

I. Presentation of reports:

- A. Surveillance Body;
- B. Group of Negotiations on Goods;
- C. Group of Negotiations on Services.

II. Overall review of progress in the negotiations.

I. Presentation of reports

A. Surveillance Body

The Chairman of the Surveillance Body, introducing his report to the TNC (MTN.SB/8), emphasized that it was made on his own responsibility and that it had been carefully considered by the Surveillance Body, which had agreed, without any reservations, that it should be submitted to Ministers at this meeting. The report provided the TNC with a factual account of what had, and had not, been achieved so far; assessed the situation; and, in its final paragraph, made recommendations for agreement by Ministers at this meeting.

He noted, as the report pointed out in some detail, that even though the views of Uruguay Round participants differed as to whether the implementation of the standstill and rollback commitments, and surveillance of that implementation, had so far been satisfactory, all participants continued to recognize that the manner in which those commitments were put into effect during the remaining two years of the Round could have a crucial effect on the negotiations. It was for this reason that, in paragraph 30, Ministers were invited to agree at the present meeting on a series of actions which all participants in the Surveillance Body considered could help to ensure more effective implementation of the standstill and rollback commitments over the next two years.

The recommendations were clearly set out in this report. However, he noted that Ministers were invited to "agree that at its meeting in July 1989 the Trade Negotiations Committee should carry out a substantive evaluation of the implementation of the standstill and rollback commitments (including evaluation of avoidance of disruptive effects on the trade of less-developed contracting parties) and its impact on the process of multilateral trade negotiations and in relation to the interests of individual participants, with a view to taking such procedural or other action as may be appropriate".

#### B. Group of Negotiations on Goods

The Chairman of the GNG, introducing the Group's report (MTN.GNG/13 of 22 November 1988) noted that the record of the meeting of the GNG which discussed and adopted the report had been distributed as MTN.GNG/14, and paid tribute to the Chairpersons of the 14 Negotiating Groups established under Part I of the Punta del Este Declaration. Section I of the report outlined the work of the GNG since its establishment, and Section II contained an overview of progress in the 14 Negotiating Groups. These two sections were transmitted to the TNC for information. Section III, the most important part of the report, brought forward points for action by the TNC meeting at Ministerial level.

He was pleased to report that on a number of the subjects the texts submitted to the TNC by the GNG could, as they stood, be considered as part of the decisions to be taken at the end of this meeting.

After the completion of the GNG report he had received, from the Chairman of the Negotiating Group on Tropical Products, a letter concerning the consultations which the Chairman of the Group had been conducting with a view to obtaining a set of early results for consideration and adoption by the TNC (MTN.GNG/15). On the day of the present meeting, he had received a further communication from the Chairman of the Group in which the latter informed him that further consultations had now produced a set of specific results which contained negotiated contributions by a number of participants (MTN.GNG/18). He trusted that this very welcome development would enable Ministers to adopt the text on

Tropical Products contained in Section III of the GNG report, in accordance with the understanding set out in paragraph 4(ii). Documents embodying the results which had been achieved were being circulated as MTN.GNG/17 and Addendum 1.

On a number of other subjects, however, further negotiation would have to take place at this meeting of the TNC in order to reach consensus. These were, in his view: Tariffs; Textiles and Clothing; Agriculture; Safeguards; Trade-Related Aspects of Intellectual Property Rights, including Trade in Counterfeit Goods; Dispute Settlement; and Functioning of the GATT System.

With reference to the understanding concerning Agriculture in Paragraph 4(i) of the GNG report, he drew attention to two documents which had been circulated since completion of the report. MTN.GNG/16\* contained the report by the Chairman of the Negotiating Group on Agriculture, Part B - Points for Decision. With reference to paragraph 3 of the GNG report which listed six documents submitted to the GNG for transmission to the Trade Negotiations Committee (MTN.GNG/W/15-20), he noted the addition of a communication from Argentina on the subject of agriculture (MTN.GNG/W/21).

#### C. Group of Negotiations on Services

The Chairman of the GNS, introducing the Group's report to the TNC (MTN.GNS/21 of 25 November 1988), noted that it presented the state of the negotiations as of the date on which it was adopted and the points requiring further consideration and decisions by Ministers.

It was clear from the report that over the last years a great deal of work had been done in the GNS and much ground covered. It was also evident that a number of specific understandings and many concrete proposals had emerged on the different aspects of the negotiations on trade in services. There had been a detailed articulation of many concepts and many points concerning the work programme as these related to the negotiating objectives of the Punta del Este Declaration. However, the draft contained a large number of formulations and many headings in square brackets. The square-bracketed language represented the divergent positions taken on specific issues. It was his opinion that bracketed language and the alternative formulations represented genuine differences in the positions of delegations and that it had not been possible, at the stage at which the GNS had completed its report, to move further towards a common text on these points. The draft gave a full and accurate picture of the situation that existed in the Group at the time it drew up its report.

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\*MTN.GNG/16/Rev.1 in French and Spanish only.

It was his hope that, in the course of the further discussions and consultations that would no doubt be undertaken during the present meeting, Ministers would be able to take decisions and provide clear guidelines for future negotiations in the Group of Negotiations on Services.

II. Overall review of progress in the negotiations

The Chairman invited speakers to make statements in a single presentation, addressing also the three reports that had been presented.

The following statements were made:

MOROCCO	Mr. Abdallah Azmani, Minister for Trade and Industry	MTN.TNC/MIN(88)/ST/3
PAKISTAN	Mr. A.G.N. Kazi, Minister/Deputy Chairman, Planning Commission	MTN.TNC/MIN(88)/ST/6
JAPAN	Mr. Sousuke Uno, Minister for Foreign Affairs.	MTN.TNC/MIN(88)/ST/9
JAMAICA	Rt. Hon. H. L. Shearer, Deputy Prime Minister, Minister of Foreign Affairs, Trade and Industry	MTN.TNC/MIN(88)/ST/5
UNITED STATES	Ambassador Clayton Yeutter, United States Trade Representative	MTN.TNC/MIN(88)/ST/2
COUNCIL OF THE EUROPEAN COMMUNITIES	Mrs. Vasso Papandreou, Deputy Minister for Trade of Greece, Presidency of the Council	MTN.TNC/MIN(88)/ST/4
COMMISSION OF THE EUROPEAN COMMUNITIES	Mr. Willy de Clercq, Member of the Commission Responsible for External Relations and Commercial Policy	MTN.TNC/MIN(88)/ST/7
ASEAN	Dr. Subin Pinkayan, Minister of Commerce of Thailand	MTN.TNC/MIN(88)/ST/15

BRAZIL	H.E. Mr. Paulo Tarso Flecha de Lima, Ambassador, Special Representative for Trade Negotiations	MTN.TNC/MIN(88)/ST/8
CANADA	Mr. John Crosbie, Minister for International Trade	MTN.TNC/MIN(88)/ST/11

Second session of the TNC meeting, 5 December 1988 at 3 p.m.

Chair: Mr. Jean-Marie Rausch (France) - for the first seven statements  
Mr. Dominik Jastrzebski (Poland) - for the remaining statements

II. Overall review of progress in the negotiations (continued)

CHILE	Mr. Hernán Büchi Buç, Minister for Finance	MTN.TNC/MIN(88)/ST/14
SINGAPORE	Brigadier-General Lee Hsien Loong, Minister for Trade and Industry	MTN.TNC/MIN(88)/ST/16
UNITED KINGDOM	Lord Young of Graffham, Secretary of State for Trade and Industry	MTN.TNC/MIN(88)/ST/1
URUGUAY	Mr. Luis Barrios Tassano, Minister for Foreign Affairs	MTN.TNC/MIN(88)/ST/17
NIGERIA	Mr. T.A. Anumudu, Director-General, Federal Ministry of Trade	MTN.TNC/MIN(88)/ST/18
COLOMBIA	Mr. Jorge Rodríguez Mancera, Deputy-Minister of Economic Development	MTN.TNC/MIN(88)/ST/23
HONG KONG	Mr. N.W.H. Macleod, Secretary for Trade and Industry	MTN.TNC/MIN(88)/ST/21
INDIA	Mr. Dinesh Singh, Minister of Commerce	MTN.TNC/MIN(88)/ST/25

INDONESIA	Dr. Arifin M. Siregar, Minister of Trade	MTN.TNC/MIN(88)/ST/22
PORTUGAL	Mr. Joaquim Martins Ferreira do Amaral, Minister of Trade	MTN.TNC/MIN(88)/ST/24
SWITZERLAND	M. Jean-Pascal Delamuraz, Federal Councillor, Head of the Federal Department of the Public Economy	MTN.TNC/MIN(88)/ST/20
NEW ZEALAND	Mr. Mike Moore, Minister of External Relations and Trade	MTN.TNC/MIN(88)/ST/19
SWEDEN	Ms. Anita Gradin, Minister for Foreign Trade	MTN.TNC/MIN(88)/ST/26
TURKEY	Dr. Yusuf Bozkurt Özal, Minister of State	MTN.TNC/MIN(88)/ST/27
MEXICO	Mr. Jaime Serra Puche, Secretary for Trade and Industrial Development	MTN.TNC/MIN(88)/ST/12

Third session of the TNC meeting, 6 December 1988, at 10 a.m.

Chair: Mr. Pertti Salolainen (Finland) - for the first eight statements  
 Mr. Dzevad Mujezinovic (Yugoslavia) - for the remaining statements

## II. Overall review of progress in the negotiations (continued)

UNITED NATIONS ORGANIZATION	The Secretary-General (read by Mr. Jean Ripert, Director General for Development and International Economic Cooperation)	MTN.TNC/MIN(88)/ST/34
UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT	Mr. K.K.S. Dadzie, Secretary-General	MTN.TNC/MIN(88)/ST/36
WORLD BANK	Mr. Barber B. Conable, President	MTN.TNC/MIN(88)/ST/39
INTERNATIONAL MONETARY FUND	Mr. Michel Camdessus, Managing Director	MTN.TNC/MIN(88)/ST/35

WORLD INTELLECTUAL PROPERTY ORGANIZATION	Mr. François Curchod, Director of the Office of the Director General	MTN.TNC/MIN(88)/ST/31
FRANCE	Mr. Jean-Marie Rausch, Minister of Foreign Trade	MTN.TNC/MIN(88)/ST/13
BANGLADESH	Mr. K.M. Rabbani, Secretary, Ministry of Commerce	MTN.TNC/MIN(88)/ST/37
AFRICAN COUNTRIES	Mr. Nicolas Kouandi Angba, Minister for Trade of the Republic of Côte d'Ivoire, spokesman for the African countries	MTN.TNC/MIN(88)/ST/33
AUSTRALIA	Mr. Michael J. Duffy, M.P., Minister for Trade Negotiations	MTN.TNC/MIN(88)/ST/38
SRI LANKA	Mr. Laltih Athulathmudali, Minister of Trade and Shipping (read by H.E. Gen. Tissa Weeratunga, High Commissioner in Canada)	MTN.TNC/MIN(88)/ST/28 and Corr.1
HUNGARY	Dr. Tibor Melega, Deputy Minister of Trade	MTN.TNC/MIN(88)/ST/40
GERMANY, F.R.	Mr. Martin Bangemann, Federal Minister for Economic Affairs	MTN.TNC/MIN(88)/ST/41
GHANA	H.E. Mr. D.O. Agyekum, High Commissioner to Canada	MTN.TNC/MIN(88)/ST/54
MALAYSIA	Mr. Datin Paduka Rafidah Aziz, Minister of Trade and Industry	MTN.TNC/MIN(88)/ST/68
ISRAEL	Mr. Ariel Sharon, Minister of Industry and Trade (read by Mr. Zohar Peri, Deputy Director, Foreign Trade Administration, Ministry of Industry and Trade)	MTN.TNC/MIN(88)/ST/42 and Corr.1 <sup>1</sup>
PHILIPPINES	Mr. José S. Concepcion, Secretary for Trade and Industry	MTN.TNC/MIN(88)/ST/58

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<sup>1</sup>English only.



Fourth session of the TNC meeting, 6 December 1988, at 3.15 p.m.

Chair: Mr. Nicolas Kouandi Angba (Côte d'Ivoire) - for the first seven statements

Mrs. Vasso Papandreou (Greece) - for the next five statements

Mr. Nicolas Kouandi Angba (Côte d'Ivoire) - for the remaining statements

II. Overall review of progress in the negotiations (continued)

ROMANIA	Mr. Nicolae Andrei, Deputy Minister for Foreign Trade and International Economic Cooperation	MTN.TNC/MIN(88)/ST/10
CAMEROON	H.E. Mr. François Xavier Ngoubeyou, Ambassador, Permanent Representative to the United Nations Office at Geneva	MTN.TNC/MIN(88)/ST/45
CUBA	Mr. A. Betancourt Roa, Deputy Minister, Ministry of Foreign Trade	MTN.TNC/MIN(88)/ST/46 and Corr.1
NETHERLANDS	Ms. Yvonne van Rooy, Minister for Foreign Trade	MTN.TNC/MIN(88)/ST/50
AUSTRIA	Mr. Gerhard Waas, Director-General, Federal Ministry for Economic Affairs	MTN.TNC/MIN(88)/ST/64
YUGOSLAVIA	Mr. Dzevad Mujezinovic, Member of the Federal Executive Council, Federal Secretariat for Foreign Economic Relations	MTN.TNC/MIN(88)/ST/49
FINLAND	Mr. Pertti Salolainen, Minister of Foreign Trade	MTN.TNC/MIN(88)/ST/47
ARGENTINA	Mr. Bernardo Grinspun, Secretary for Planning, Special Representative for International Economic Negotiations	MTN.TNC/MIN(88)/ST/43

POLAND	Mr. Dominik Jastrzebski, Minister for Foreign Economic Relations	MTN.TNC/MIN(88)/ST/29
NICARAGUA	Mr. Luis Carrión Cruz, Minister for the Economy, Industry and Trade	MTN.TNC/MIN(88)/ST/53
NORWAY	Mr. Jan Balstad, Minister of Trade and Shipping	MTN.TNC/MIN(88)/ST/48
BELGIUM	Mr. Robert Urbain, Minister for Foreign Trade	MTN.TNC/MIN(88)/ST/51
TANZANIA	Mr. J.C. Rwegasira, Minister of Industries and Trade	MTN.TNC/MIN(88)/ST/52
CZECHOSLOVAKIA	Mr. Jiri Nemec, Deputy Minister of Foreign Trade	MTN.TNC/MIN(88)/ST/44
COSTA RICA	Mr. Luis Diego Escalante, Minister of Foreign Trade	MTN.TNC/MIN(88)/ST/55

Fifth session of the TNC meeting, 7 December 1988 at 10 a.m.

Chair: Mr. Dzevad Mujezinovic (Yugoslavia) - for the first six statements  
Mr. Pertti Salolainen (Finland) - for the remaining statements

II. Overall review of progress in the negotiations (continued)

ITALY	H.E. Mr. Renato Ruggiero, Ambassador, Minister for Foreign Trade	MTN.TNC/MIN(88)/ST/59
BURMA	H.E. Mr. Myo Aung, Ambassador to the United States	MTN.TNC/MIN(88)/ST/57 and Corr.1
LUXEMBOURG	Mr. Robert Goebbels, Secretary of State for Foreign Affairs, Foreign Trade and Co-operation	MTN.TNC/MIN(88)/ST/32
DENMARK	Mr. K. Erik Tygesen, State Secretary for Foreign Economic Affairs	MTN.TNC/MIN(88)/ST/56

CHINA	Mr. Shen Jueren, Vice-Minister of Foreign Economic Relations and Trade	MTN.TNC/MIN(88)/ST/30
SPAIN	Mr. Apolonio Ruiz Ligerio, Secretary of State for Trade	MTN.TNC/MIN(88)/ST/62
IRELAND	Dr. Sean McCarthy, T.D., Minister of State for Industry and Commerce	MTN.TNC/MIN(88)/ST/60
EGYPT	Dr. Youssry Moustafa, Minister of Economy and Foreign Trade	MTN.TNC/MIN(88)/ST/61 and Corr.1
KENYA	Mr. K.K. Arap Sego, Minister of Commerce	MTN.TNC/MIN(88)/ST/63
ZIMBABWE	Dr. O.M. Munyaradzi, Minister of Trade and Commerce	MTN.TNC/MIN(88)/ST/67
TRINIDAD AND TOBAGO	Dr. Sahadeo Basdeo, Minister of External Affairs and International Trade	MTN.TNC/MIN(88)/ST/65 and Corr.1
EL SALVADOR	Mr. Guillermo Aceto Marini, Ambassador-Negotiator to GATT, Ministry of Foreign Trade	MTN.TNC/MIN(88)/ST/66
ZAMBIA	Dr. O.S. Musuka, MCC, M.P., Minister of Commerce and Industry	MTN.TNC/MIN(88)/ST/69

Closing session, 9 December 1988 at 12.30 p.m.

Chair: Mr. Ricardo Zerbino

The Committee adopted the reports of the Group of Negotiations on Goods, the Group of Negotiations on Services and the Chairman of the Surveillance Body and took note of the other documents before it.

The Chairman introduced the results achieved by the TNC at its meeting at Ministerial level (MTN.TNC/7(MIN)) and noted that:

- while the document contained no references to the points addressed in the statement by the Chairman of the Punta del Este Conference on the adoption of the Ministerial Declaration, it was understood that this statement retained its validity;

- some delegations had, in their statements, emphasized the need for early action in GATT to bring under control trade in domestically prohibited goods and other hazardous substances. He understood that the subject was covered by GATT's regular work programme and therefore suggested that the GATT Council be requested to take an early, appropriate decision for the examination of the complementary action that might be necessary in GATT, having regard to the work that was being done by other international organizations;
- developing countries, contracting parties of the GATT and signatories to the Lomé Convention, had stated their position in MTN.TNC/W/15.

The Committee adopted document MTN.TNC/7(MIN). In so doing, it decided that:

- the Committee would hold a meeting at the level of high officials in the first week of April 1989;
- the results achieved at its Montreal meeting as reflected in document MTN.TNC/7(MIN) were put "on hold" until that meeting;
- during the period up to April 1989, Mr. Arthur Dunkel, in his capacity as Chairman of the Committee at official level, should conduct high level consultations on the four items (Textiles and Clothing; Agriculture; Safeguards; and Trade Related Aspects of Intellectual Property Rights, Including Trade in Counterfeit Goods) which required further consideration;
- the entire package of subjects, the results achieved in Montreal and the other items, should be reviewed at the meeting of the Trade Negotiations Committee in April 1989;

and it declared its determination to press forward and complete the negotiations as foreseen in 1990.

Document MTN.TNC/7(MIN) was then derestricted.

The Chairman, Mr. Zerbino, expressed his gratitude to the Canadian authorities for their hospitality, consideration and excellent organization of the meeting; the Director-General of GATT and his staff for their support and dedication; all participants for their spirit of cooperation, which enabled concrete progress to be made. He also thanked, for their untiring efforts, those Ministers who had assisted him in his consultations with participants, namely: Mr. Anita Gradin (Sweden), Mr. John Crosbie (Canada), Mr. Yusuf Özal (Turkey), Mr. Michael Duffy (Australia), as well as those Ministers who had chaired sessions on his behalf.

He noted the considerable progress made in many areas of the negotiations and the positive decision, with respect to the areas in which full agreement had not yet been reached, to set a definite time-limit such that significant progress in these areas could also be achieved. This decision went hand-in-hand with the expression of the political will to reach balanced results. He had been encouraged to note a common feeling of being united in diversity. Participants had undoubtedly defended what they perceived to be their own legitimate interests, but shared a common goal: the strengthening of the multilateral trading system embodied in the GATT as the means of achieving a better, more secure and predictable liberalization of trade within a framework of rules and disciplines accepted by all.

He recalled that the process of the Uruguay Round continued and that participants and the multilateral trading system required it to be crowned with success. He restated his commitment to cooperate in achieving that goal. The decisions taken at this meeting would, without doubt, give the negotiations new impetus.

The Director-General of GATT, Mr. Dunkel, added his thanks to the hosts and organizers of the meeting. The involvement of the Government of Canada, through its Minister for International Trade, in the day-to-day work of the meeting had been appreciated by all. He also thanked the Chairman for his firm and friendly guidance and his untiring presence.

The holding of a mid-term review at Ministerial level had ensured that governments had concentrated on the issues at a high political level and had served to renew the determination to press forward and complete the negotiations in 1990, as foreseen. It had achieved the closer involvement of national capitals and, even if not successful in all areas, had ended with the determination to proceed with the aim of resolving differences in the few remaining difficult areas by April 1989. The Uruguay Round and the GATT system were alive and well. The meeting had broadened the area of consensus and the months ahead would allow the additional time to complete its work, when the results already achieved could be implemented. He looked forward to having the support and political commitment of participants in the task with which he had been charged. Participation in the trade negotiations was no longer the preserve of the few, and the need to ensure transparency in the proceedings had increased. In the Uruguay Round particularly, the motivation and incentive provided by the smaller- and medium-sized trading nations, developed and developing, had often been a decisive factor. The collective effort of nations, big and small, was the only way of achieving enduring results.

The representative of the European Community regretted that his own participation in the negotiations was coming to an end. He underlined that a multilateral negotiation was a continuous exercise. Despite the complexity and delicacy of the task of taking stock and beginning to prepare for the final results of the Round, good progress had been made

and significant results achieved in most sectors. The extension of the mid-term rendez-vous to April 1989 was a constructive and imaginative formula that would give time for the four outstanding subjects to be carefully tended and for completing the successful outcome. Above all, this would require the political will of all concerned and particularly of the larger trading partners. A sense of responsibility and imagination should be adopted to resolve the difficulties and divergences in these four areas. This was a collective undertaking to be carried out on the basis of consensus. The significant progress made and decisions reached in eleven sectors of the negotiation must be preserved to provide a spring-board for the rapid advance of the negotiations in the spring. He was particularly concerned that the results on Tropical Products be safeguarded for immediate application as soon as the mid-term review process was completed. As a gesture of goodwill and to encourage the negotiating process as a whole, the Community intended to apply, autonomously and immediately, the GSP part of its offer on tropical products and the special régime for the least-developed countries.

The representative of Australia stated that the meeting had been a disappointment. Work in important areas had been advanced, but in a critical one it had stalled. Australia was an enthusiastic supporter of the Uruguay Round and had embraced the idea of achieving early results at the mid-term review. The four-year enterprise needed milestones, and interim results would have been evidence of its seriousness. It was important that the meeting had achieved consensus over guidelines for negotiation in most areas, including, for the first time, consensus over the basic elements to be negotiated in a services agreement and over improvements to dispute settlement procedures and to the functioning of the GATT system, as well as a package of tariff reductions on tropical products. Australia would proceed to implement its offer in this latter area. However, the meeting had failed to advance the key issue of agriculture. Liberalization of agriculture trade was important to indebted countries as a means of trading away their debt burdens, to many developing countries as an opportunity to stimulate their agricultural sector and boost growth, to major industrialized countries for enhancing efficiency and growth, and generally to restore equity in the international trading system. Since Punta del Este, repeated statements of intent to change had been made by the leaders of the United States and European Community. Yet at this first tangible opportunity to give operational effect to their commitments, these had been ignored. The political will that had clearly been lacking would be required if agreement was to be reached by early April. In the first months of 1989, leaders in Washington and the capitals of the European Community would have to reassess their positions, appreciate better how to secure change, and prepare their constituencies for more flexible approaches. The Cairns Group countries would continue to do all in their power to secure a result. They had already worked hard to bridge positions and provide frameworks to enable others to enter into negotiation. It was time for an end to pious utterances and for some hard work, hard decisions and greater seriousness. He looked forward to tangible results in 1989.

The representative of Côte d'Ivoire on behalf of African Countries, noted the results achieved and was pleased with the opportunity afforded to review them, and in particular those relating to the special interests of his group of countries, which he had outlined earlier (MTN.TNC/ST/33). He hoped that, at the end of the Uruguay Round, all the aims set out in the Punta del Este Declaration would be fulfilled in the interests of all participants.

The representative of the United States believed that while there had been substantial visible accomplishments at this meeting, there had been even more in the way of invisible achievement. The very thorough airing of issues would pay dividends in the remainder of the Round. In most of the Groups, the negotiating process had been moved forward. The results on Dispute Settlement and on the Functioning of the GATT System would significantly alter the way the GATT operated. There was agreement on how to proceed on Tariffs, an excellent negotiating framework for Services, and agreement on Tropical Products. Agreement on Textiles and on Safeguards was not far off. Even on Trade-Related Aspects of Intellectual Property Rights, including Trade in Counterfeit Goods, the differences had been significantly narrowed. The primary challenge remained Agriculture, but in this area the results of this meeting would need to be judged on the basis of the final outcome of the Round. The choice had been made not to settle here for modest improvements in agricultural trade. He was optimistic about reaching an agreement in April 1989 that would allow the agriculture negotiation to move forward in a very effective way.

The representative of Finland, on behalf of the Nordic countries regretted that the meeting had turned out to be less than a complete success, with some key issues not yet settled. Under these circumstances, the procedural decision taken was the best possible. He was pleased that the considerable progress made in a number of areas was being safeguarded and that there was agreement on how to search for solutions to the outstanding problems. The Uruguay Round would thus move ahead towards fulfilling its mandate, and it was imperative that all cooperate fully in the preparation of the April 1989 meeting of the TNC. He announced that the Nordic countries would now proceed to implement their offers on tropical products.

The representative of New Zealand expressed disappointment at some of the results, especially in agriculture. It was his government's intention to proceed with the liberalization measures of its wide-ranging offer on tropical products.

The representative of the Philippines recalled that, in the Punta del Este Declaration, "CONTRACTING PARTIES recognize the importance of trade in tropical products to a large number of less-developed contracting parties and agree that negotiations in this area shall receive special attention, including the timing of the negotiations and the implementation of the results as provided for in B(ii)". He further

recalled that, in MTN.TNC/7(MIN) with reference to tropical products, "Ministers take note of the results obtained thus far in negotiations [MTN.GNG/17 and Add.1] and note that these will be implemented in January 1989 except as otherwise indicated". He thanked Australia, New Zealand and the Nordic countries for announcing their intention to implement their offers on tropical products. He called on Austria, Canada, the EEC, Japan, Switzerland and the United States also to implement fully their offers in this area.

The representative of Pakistan regretted that progress at this meeting had not lived up to expectations. However, he looked forward to the work being completed in April 1989.

The representative of Bangladesh noted that participants had engaged in serious dialogue. He was also pleased to note the tangible results achieved on tropical products, but warned against the danger of erosion of the margin of preference enjoyed by the least-developed countries. This margin should not only be maintained under the Uruguay Round but increased. In this context, conversion of non-tariff measures into tariff equivalents and other appropriate mechanisms of compensation merited consideration. Proposals by the least-developed countries, outlined in MTN.GNG/W/15 had not been discussed at this meeting, but he trusted they would be taken up at the TNC meeting in April 1989. He thanked the EEC for announcing the implementation, in the area of tropical products, of its proposed special régime for least-developed countries.

The representative of India hoped that the time until April 1989 would be used in capitals for a deeper examination of the issues, so that more purposeful and meaningful conclusions could be reached that would assist in the continuation of the Round and in reaching agreement on achieving a better trading environment.

The representative of Austria stated his authorities' readiness to go along with the agreed procedures for further negotiations. He welcomed the progress achieved in a number of areas, while urging participants to intensify their work in search of solutions on the outstanding issues. He reaffirmed that Austria would put into effect its offer on tropical products as soon as parliamentary approval had been obtained and trusted that other participants would likewise implement their offers without delay.

Many of those who spoke expressed their appreciation and thanks to the Canadian Authorities, hosts and organizers of the meeting, to the Chairman and to the Director-General of GATT.

Mr. Crosbie, Minister for International Trade of Canada, reiterated his authorities' pleasure at hosting the meeting and conveyed congratulations to the Chairman and to the Director-General of GATT. He thanked all participants for attending. A lot had been accomplished, but a lot remained to be done. The GATT was a very valuable organization. In searching for outstanding solutions, he exhorted all participants, in the words of Tennyson, "to strive, to seek, to find and not to yield".

The Ministerial meeting closed at 1.15 p.m.