

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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Trade Negotiations Committee

STATEMENT BY THE INFORMAL GROUP OF DEVELOPING COUNTRIES

The Informal Group of Developing Countries met on 22-23 February 1990 to assess the state of play in the Uruguay Round negotiations.

As a result of this assessment, the Group unanimously approved the following statement:

1. The decision to launch the Uruguay Round was taken when the multilateral trading system was at a critical stage characterised by:

- (a) the prevalence of protectionist and distorting policies resulting in serious macro and micro-economic imbalances and a growing erosion of the benefits arising from the international trading system, to the developing-country participants;
- (b) an evolving transformation of the international economy signifying a growing inter-dependence inter-alia through expansion in new areas of international trade; and
- (c) the adverse effect of protectionism on the ability of indebted countries to promote their trade and development and meet their financial obligations.

2. The developing countries gave their backing to the Uruguay Round because they were convinced that it represented an opportunity to secure a fair and equitable and a more open, truly multilateral trading system, as a means of promoting the economic growth of all participants and the development of less developed participants. They sought and obtained a political commitment for a balanced outcome of the results and for an operational reflection of their development needs and concerns in these results. It is only on this basis that a balanced expansion in the rights, obligations and indeed benefits of all participants can be achieved.

3. On the basis of the above premises, developing-country participants have been negotiating in the Uruguay Round constructively and in good faith; they are prepared to continue to do so in the coming months in order to contribute to the success of the Round. However, after assessing the state of the negotiations, developing-country participants note with deep concern the current lack of balance in the negotiations, which stems from a

failure by many developed-country participants to engage meaningfully in the traditional areas while at the same time pressing for cross-linkages to and far-reaching results in the new areas.

4. Such imbalances are evident in the prevailing position in market access groups, especially Tropical Products and Natural Resource-Based Products where procedures have been substituted for substance; in the apparent lack of political will fully to integrate textiles and agriculture within GATT disciplines; in proposals to introduce selective safeguards as a permanent feature of the system and thereby weakening the fundamental principle of the GATT and to enlarge the scope of anti-dumping and countervailing duty rules for protectionist purposes. Furthermore, imbalances are also manifest in proposals and initiatives advanced in various negotiating groups which aim at depriving developing countries of their rights under the GATT, and at imposing obligations in disregard of their special needs and conditions, including those of least-developed countries in contravention of the commitment undertaken at Punta del Este for a balanced outcome of the negotiations. The present attitude has the potential to undermine the essential interests of developing-country participants in the Round and is thus unacceptable to them. Consequently it should be pointed out, now, while there is still time to adopt the necessary corrective measures, that if this situation persists it will seriously jeopardize the Uruguay Round.

5. In his recent visit to the GATT, the President of Mexico, Carlos Salinas de Gortari, stated the principles that should guide the negotiation process in the remainder of the Uruguay Round. He called for the abolition of selective measures, the full inclusion of textiles and agriculture in the general rules of the GATT, the opening up of markets, the improvement of anti-dumping and countervailing provisions so as to avoid unilateral measures of harassment to exporters, the submission of all contracting parties to the dispute settlement mechanism and their acceptance of and compliance with recommendations adopted by the CONTRACTING PARTIES and the incorporation of the development dimension as an integral element of the multilateral system.

6. Developing-country participants are convinced that after three years of negotiations the time for political decisions has arrived and that these must become manifest without further delay. The Trade Negotiations Committee in its April and July meetings, will have to produce a balanced overall package that will be the basis of the evaluation procedure for developing countries established in the Punta del Este Declaration which, if found acceptable, could be finalized in the Brussels Ministerial meeting planned for December.

7. In conclusion, the Group of developing countries, while reaffirming their commitment to the Punta del Este Declaration, urge all participants to recognize the gravity of the present situation and to negotiate with renewed intent to implement the Punta del Este Declaration and the Mid-Term Review Agreement in their entirety.