

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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Trade Negotiations Committee

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DECLARATION OF THE COUNTRIES OF LATIN AMERICA AND THE CARIBBEAN  
AT THE V LATIN AMERICAN CONSULTATION MEETING OF SELA ON THE  
URUGUAY ROUND OF MULTILATERAL TRADE NEGOTIATIONS

1. We reaffirm our wholehearted commitment to the objectives of the Ministerial Declaration of Punta del Este and our vital interest in the attainment of positive results from the Multilateral Trade Negotiations.

The countries of Latin America and the Caribbean have made considerable efforts to comply with those objectives. We have pursued these efforts through constructive participation in the Uruguay Round as well as through autonomous liberalization of the conditions of access to our markets, all this in the midst of a critical economic and social situation caused mainly by the external debt problem.

Consequently we feel compelled to express our profound and serious concern over the present status of the negotiations which, unless corrected, will have alarming implications for their successful outcome.

2. We note that few weeks are left for actual negotiation, and that the pace and intensity of the work has been extremely sluggish. If this continues, it will not be possible to conclude the negotiations in the agreed time frame.

We are concerned that the serious imbalances that have become apparent in the negotiations are now reflected in some of the profiles presented by the Chairmen of the negotiating groups. What is more, in some groups the profiles have taken the form of a mere factual report.

Moreover, we are involved in a negotiating process that lacks the necessary transparency for the effective participation of all the countries. Some important negotiations are being conducted in informal groups from which countries of the region with specific interests are excluded. All this is not only a serious obstacle to the evolution of the negotiations but will also impede the corresponding process of decision-making and the eventual acceptance of the results as a whole. In this respect we reiterate the urgent need to adopt the relevant measures in accordance with our communication of 25 June 1990 (Doc. MTN.TNC/W/21).

3. The countries of Latin America and the Caribbean consider that a substantial improvement in market access safeguarded and underpinned by rules that strengthen the multilateral trading system is a prerequisite for the successful conclusion of the Uruguay Round. The effective incorporation of the development dimension in the results that may be obtained in the "new areas" is also being given our closest attention.

The negotiations on market access have virtually come to a halt and have been initiated without the rollback commitment having been complied with. The offers made so far by the developed countries are very limited, selective, and therefore unsatisfactory. Nor are those offers proportionate to the autonomous liberalization of our economies. The requests by the developed countries are not in proportion with the requests made by developing countries, nor with their own offers. Furthermore, in some cases they have tried to obtain advantages in areas that are not relevant to the legal framework of the negotiations and the General Agreement.

Furthermore, several of the positions and proposals of the developed countries in the areas dealing with rules and disciplines have aimed at legitimizing practices and instruments that are presently incompatible with the General Agreement; at facilitating the application of protectionist and discriminatory measures; and at limiting or derogating certain basic rights which have been embodied for our countries in that contractual framework. Such proposals and positions, instead of protecting and underpinning the conditions of market access and the concessions negotiated, merely undermine them, and are contrary to the objectives of the Uruguay Round.

In contrast, as regards the subjects relating to new areas of the Multilateral Trade Negotiations, specific problems have been identified while there is pressure to advance rapidly. We naturally affirm that economic development requires increased flows of investment and technology, as well as effective policies to safeguard competition. Moreover, we consider that the results should, in addition to complying with the criteria outlined, in paragraph Nº4 below, strictly respect the negotiating mandates established at Punta del Este and the Mid-Term Review decision (April 1989), and not weaken the multilateral trading system in goods with issues irrelevant to it.

Lastly, some developed countries have recently made proposals on institutional questions that merit searching and careful consideration. Without touching upon the substance we recognize their serious implications. We note with concern that at this time discussion or consideration of such initiatives would likely delay the negotiations still more and limit the possibilities of achieving positive results in all areas.

4. Consequently, the Trade Negotiations Committee should rectify the direction and scope of the Uruguay Round on the following basis:
- a) As the first step towards re-establishing a fair and equitable basis for negotiations, the participants in the Uruguay Round should fulfil the basic commitments of the Punta del Este Declaration on standstill and rollback.
  - b) Moreover, all efforts should be directed towards results that:
    - are fully conducive to the attainment of the objectives of the Punta del Este Declaration and in particular to the economic development of the developing countries;
    - Contribute to a substantial improvement in conditions of market access for all products without exception, so as to ensure that the developing countries have an increasing share in world exports;
    - Include reinforced and objective multilateral disciplines that strengthen the multilateral trading system and that protect and underpin trade liberalization through; (i) full respect for the principle of non-discrimination, including the automatic and unconditional application of most-favored-nation treatment; (ii) effective differential and more favourable treatment for the developing countries; (iii) the prohibition of all arrangements for market sharing and managed trade; (iv) the prohibition on any unilateral action outside the legal framework of the General Agreement; and (v) the maintenance of a strengthened and fully effective system for dispute settlement.
  - c) Instruct the Chairmen of the negotiating groups that they should draw up as soon as possible efficient and comprehensive time-tables for the timely completion of the work of their groups;
  - d) Agree on a date, not later than the first week of November, for initiating the evaluation of the negotiations provided for in the last paragraph of Section G of the Punta del Este Declaration, and the relevant methodology.
5. We, the countries of the region have, for our part, taken the necessary steps to evaluate the progress of the negotiations in a detailed and regular manner. This process of evaluation is designed to conform a Latin American and Caribbean position which would, as such, make a substantial contribution to the evaluation mentioned in Section G of the Punta del Este Declaration. For this purpose, the meeting decided that the countries should be in permanent consultation and that the VI Consultative Meeting of SELA should be convened in Geneva next October.

6. Finally, we note that, if the present situation is maintained, we shall arrive at Brussels with a partial and inadequate set of results. The negotiations constitute a "single undertaking" based on a delicate balance reflected in the Punta del Este Declaration. A set of limited or partial results, especially if they do not correspond to the objectives that are most important for our countries, would therefore be totally unacceptable.

NOTE

The document with the Framework of Understanding and Basic Consensuses on the main elements of the final package of the Uruguay Round agreed upon by the V Consultation Meeting of SELA of the Uruguay Round of Multilateral Trade Negotiations, is annexed to this declaration.