## MULTILATERAL TRADE NEGOTIATIONS THE URUGUAY ROUND

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## SWITZERLAND

## <u>Statement by Mr. Jean-Pascal Delamuraz</u>, <u>Federal Counsellor, Head of the Department of Public Economy</u>

I shall be brief. This is not the time for speeches; this is the time for negotiation.

We are here to conclude the most ambitious and the most important of all the negotiations ever undertaken in GATT. After four years of strenuous work by our negotiators under our guidance, we have only a few days in which to achieve <u>together</u> the indispensable political breakthroughs - and there are many of these - to meet the challenges we set ourselves in September 1986 at Punta del Este.

These challenges were and remain three in number:

- the challenge of <u>competition</u>: we shall not have succeeded unless <u>all</u> of us accept the law of increased competition;
- the challenge of <u>economic integration</u>: we shall not have succeeded unless GATT, from being a conventional trade agreement essentially concerned with reducing protection at the border, becomes a modern agreement for economic integration progressively widening to the numerous trade effects of a whole series of non-trade policies;
- lastly, the most important challenge, that of the <u>full and complete</u> <u>attachment of the developing world</u> to the formidable engine of growth and development represented by world trade based on a system of multilateral rules.

Now that, through long and exhausting days and nights, we are about to confront negotiations immensely difficult for each of us, I consider it particularly important to remind ourselves of those goals. It would be deplorable if, beset by difficulties resulting from short-term interests, we lost sight of the essential political objective we are pursuing: the objective of freedom and development. Let us not lower our sights because of obstacles!

Specifically, my delegation intends to do all it can to contribute to breakthroughs on four negotiating fronts, without overlooking the many others:

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- 1. <u>Rules</u>: Switzerland is convinced that the prerequisite for a trading system that functions is a decisive strengthening of GATT rules in favour of more competition. That means a non-selective safeguard clause, the imposition of strict discipline over domestic subsidies, and rules that end the misuse of anti-dumping procedures.
- 2. <u>New subjects</u>: The multilateral system will rapidly age unless we extend it this week to services, the protection of intellectual property and investments. My delegation will fight especially for the fullest possible application of the most-favoured-nation clause to all services. The GATT has proved that this is the key to success. It is in that spirit that Switzerland, along with three other delegations has submitted a draft sectoral annex dealing with financial services. Similarly I shall strive for the full and complete integration of appropriate rules regarding intellectual property into the GATT system.
- 3. <u>Market access</u>: Here at Brussels we must enter into firm commitments to ensure a balanced package to which everyone must contribute and from which everyone benefits.
- 4. Lastly, agriculture: I am the only one among you who simultaneously exercises the functions of Minister of Economy, Trade and Agriculture. Consequently, I am in a position to know that it is impossible to separate agriculture from the rest of the economy and vice versa. But I am also in a position to know that agriculture, partly at least, also answers purposes that have nothing to do with the economy. My message in this respect is simple: agricultural reforms are under way in our countries, and in Switzerland in particular. The GATT negotiations have contributed to this. Let us give these reforms a multilateral legal framework so as, once and for all, to rid the multilateral trading system of a poison. But let us not destroy these reforms by exaggerated and unrealistic demands for the total liberalization of agriculture. Agriculture needs a market, but in our regions, too much market would kill it. And we will not tolerate the death of our countryside.

I would like to conclude on a note of hope for the future. These negotiations have taught us a great deal. In particular, we have learnt that competition and development are complementary terms. We have also learnt, however, that economic development alone does not bring happiness. Such development must take place in an <u>environment</u> - in the widest sense of the term - that is livable and is worthy of human beings. It is with this in mind that my Government, along with some others, will be submitting this week a proposal for a decision by the GATT contracting parties concerning protection of the environment and the initiation of work on the relationship that has to exist between the environment and trade. I myself am convinced that the next GATT Round will be particularly concerned with this subject of paramount importance for the future of mankind.