

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Trade Negotiations Committee
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FINLAND

Statement by H.E. Mr. Pertti Salolainen,
Minister of Foreign Trade

We are meeting amidst an abundance of new realities, most of which were not foreseen - at least not in their current dimensions - four years ago at Punta del Este. I am thinking of developments in Europe. The new directions in Eastern and Central Europe present the multilateral trading system, which all of us support, with a formidable challenge. I am thinking of developments in Asia, where dynamic economies are increasingly looking towards the rules and disciplines offered by the GATT for securing the predictability of such importance in the field of trade. And I am thinking of the tremendously increased awareness of the environmental impact of almost all human activities. Trade is no exception. I trust that the interdependence between trade and the environment - addressed here in Brussels in a draft statement tabled by the EFTA countries - is so obvious that a general endorsement will be given to the early and full utilization of the already existing GATT Working Group on Environmental Measures and International Trade by giving it a new mandate so that the contracting parties will be provided with a forum for these issues. I have mentioned only three examples of new realities, which surround this Brussels meeting, which is designed to decide the fate of the Uruguay Round.

Finland attaches greatest importance to the early achievements of a positive Uruguay Round outcome both for her own national reasons and as a responsible member of the international community. We are therefore alarmed by the dead-locks which already have been badly damaged the negotiating process and which now threaten not only to destroy all the valuable work done since Punta del Este, but to push us all over the brink into a jungle of trade wars, unilateralism and protectionism.

The grave economic consequences - both the immediate ones and those that would surface in the longer term - of such a disintegration of the multilateral trading system are obvious to everyone in this forum. At the same time dark clouds are gathering on both the political and economic horizon in a global perspective. Frictions, threats and irritating actions spurred by often tactical considerations related to the Uruguay Round cannot but weaken the basis for international co-operation and stability which at this critical moment should be our primary common concern.

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We are also seriously worried about the repercussions that the failure of the Uruguay Round would have for the hopes and aspirations of all those nations which now look towards the GATT system as a promising alternative to closed, centrally planned systems of the past. It is our common responsibility to ensure that the ambitious goals of these emerging trading nations will be matched by our joint preparedness to secure a successful outcome of the Uruguay Round. We all have to see beyond the present and the immediate future and mobilize the flexibility and realism needed to bridge the gap between our positions. This responsibility lies heavily in particular on the major parties to these negotiations.

This is the overall context in which Finland participates in the Uruguay Round and assesses the operations of our partners. By virtue of our Nordic co-operation, we have been able to participate fully in all steps of this complicated process. We know what the problems are and where the flexibilities are needed in order to save the Round. Like all others, we have a set of both offensive and defensive sectoral interests, but we are confident that they can be accommodated in a comprehensive package built on the work done so far. The moment for all and - I repeat - particularly for the major participants, to show flexibility, has now come. The realities which underlie the key controversies must be faced squarely and the ambitions must be adjusted accordingly. A meaningful package is still at hand within the available time. If we cannot settle all our differences during this week, let us, at least, pave the way for their resolution during the weeks to come. Let us also make a firm pledge not to let, under any circumstances, the huge work so far done to be lost. Let us show to the outside world, to the ultimate users and beneficiaries of the GATT, that the objectives of the Round have not lost their relevance and that therefore a settlement inspired by those objectives can still be found.