

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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FIJI

Statement by the Honourable Berenado Vunibobo, CBE,
Minister for Trade and Commerce

Following the Punta del Este Ministerial declaration launching the Uruguay Round of multilateral trade negotiations in September 1986, the Government of the Republic of Fiji declared its intention to accede to GATT, pending the outcome of the Round. By doing so, my country has been able to participate in the negotiations to date, and has been closely monitoring the Round's development. We will, of course, at an opportune time, make a decision regarding our accession to GATT.

Whilst we have been pursuing with great interest developments on all areas of the negotiations, our principal interest lies, essentially, in the traditional areas of the GATT that deal with specific sector trade issues, namely agriculture, textiles and clothing, tropical products and natural resourced-based products. The results of the negotiations on these important sectors will have far-reaching implications on our economy.

This Round of GATT negotiations has, undoubtedly, been the most ambitious, complex and difficult, with the inclusion of the new area of trade in services. Whilst there have been great strides in the negotiations, we still face a daunting task over the next few days to bring our unfinished businesses to an amicable and a successful conclusion. We have to do this in the interest of international trade.

And I am positive that we all have the political will to do so.

On the question of trade liberalization, my government has already taken steps in 1988 to progressively remove quantitative restrictions on a number of agro-based and manufactured imported goods, and also to reduce, progressively, import tariffs. This is in line with the government's policy of re-orienting the economy from one of import substitution to one of export-led strategy.

The principle, therefore, of trade liberalization, to which we all subscribe, has been the driving force of our participation.

However, as we all appreciate, we live and trade in an imperfect world. While we can set ourselves the highest goal possible, and to work

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generally to achieve it, we have to be pragmatic and to make the necessary adjustments to allow those who are pushed to the fringe of international trade to participate fully in it, so that they too can optimise their benefit.

Needless to say, we all subscribe to this principle as well.

Fiji is a developing island country, and is fully exposed to the rigours of international trade because of the openness of our economy. The choice of being open with our economy is a factor of our geography. We would like to see, therefore, that the special and differential provisions embodied in the Punta del Este Declaration are adequately reflected in the outcome of our negotiations. This would give ample time-frame for developing countries like my own, to observe its commitments towards fuller trade liberalization.

Furthermore, being a member of ACP Group and a beneficiary of trade preferences on other markets (e.g. under GSP), we note, with some concern, that our margin of preferences is being naturally eroded. Hence we need to assess the magnitude and impact of this on our economies, and to adopt strategies to minimize the negative effect.

Moreover, as a small developing country embarking on a strategy of export-led growth, with heavy dependence on offshore raw materials and technology, it is our fervent hope that the issues covering TRIPs, TRIMs and services are not overly protective and inflexible against our interest.

We recognize that creativity should be rewarded and protected. We also recognize that in developing countries, the progress in the production frontiers of our economies had been, to a large measure, dependent on foreign technology and skills. Therefore, a regulatory agreement, particularly on TRIPs, will constrain our access for technology choice and thwart our effort for any meaningful progress. Worse still, it will continue to perpetuate our state of economic underdevelopment and dependency.

For these three important areas of TRIPs, TRIMs and services, therefore, the overriding concern of my country is to have provisions in our final agreement that will recognize and give precedence to the unencumbered developmental aspirations of developing countries.

For the four traditional sectors I had referred to earlier, our concern obviously is for greater access to the world markets. For textiles and clothing in particular, it is in our general interest to have one system of trading which is open, free and transparent. The sooner we have it, the better it will be for all of us.

In conclusion, let me reiterate my optimism that we would be able to reach, in the next few days, agreements on fundamental differences dividing the major players, and to lay a firm foundation on which the principles of our future trade would be built.