

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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REPUBLIC OF KOREA

Statement by H.E. Dr. Pil Soo Park,
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I need hardly labour the importance of the Uruguay Round. We all know that upon its success or failure depends the future of the multilateral trading system and, to a large extent, the future prosperity of mankind.

When the round was launched at Punta del Este, it was recognized that this would be the most ambitious in scope of the eight rounds of multilateral trade negotiations. Nevertheless, there was widespread expectation that a successful conclusion could be reached by the time of the final session scheduled for Brussels four years later. We are now in Brussels and find ourselves still deeply divided on many issues. Without doubt, the progress is far short of what it should be at this stage. The immediate task before us, as Ministers, is to take the political decisions in the next few days that will clear the way to concluding the Round as successfully and expeditiously as possible.

This will not be an easy task. As we have moved further along the road from Punta del Este to Brussels, the negotiations have become increasingly complex, and more closely interrelated, particularly during the past six months. Progress in one group facilitates progress in others. And, by the same token, an impasse in a single group tends to create blockages elsewhere. This is precisely the situation which exists with regard to agriculture, where an impasse has been reached that threatens to hold virtually the entire Uruguay Round negotiation hostage.

Korea, like the other participants here, is committed to the success of the Uruguay Round. In achieving this success, there are a number of issues to which Korea attaches importance in the three broad areas of negotiation: market access, rule-making, and new issues.

Since market access constitutes the very core of this and the previous seven negotiating rounds, we should be particularly concerned at the relative lack of progress here.

We should, I believe, seek a way forward by an early fulfilment of one-third tariff reduction and elimination of tariff peaks. In addition, Korea intends to examine the possibility of additional tariff cuts under certain terms and conditions, keeping in mind the sectoral tariff elimination approach proposed by the United States.

With regard to agriculture, we need to acknowledge that for many countries, including my own, agricultural issues cannot be considered in an exclusively trade-related context. There are, in addition, important non-trade considerations of a socio-political nature that must be taken into account. In order to reach an agreement in agriculture, we should strike a balance between the interests of importers and exporters, recognizing differing levels of agricultural development of participating countries. Also the vital interest of developing countries to develop their agriculture and rural community should be properly reflected in the negotiations.

In textiles and clothing, the position of the importing countries is still very far from the Punta del Este mandate, which calls for a complete integration of textiles trade into GATT. To achieve a successful outcome in this group, two minimum requirements must be met: first, equitable treatment among suppliers should be ensured; and, second, there should be no possibility that the final agreement could result in less favourable conditions for certain suppliers.

Turning now to the rule-making area, participants should not feel that they are either making or gaining substantive "concessions", but rather seeking to create the best possible juridical framework for world trade that would be equitable, transparent, and consistent.

In this area, anti-dumping and safeguards pose the most difficult challenges. Anti-dumping is one of the few groups in which we still lack even a basis for solution, and it is thus incumbent upon the Ministers to provide a clear direction for the working level negotiators.

In safeguards, we are dealing with the very linchpin of the functioning of the GATT system. The main obstacle to progress in this negotiation seems to be a widespread fear that the most-favoured-nation principle may be jeopardized. I therefore urge that the Ministers forcefully reaffirm their commitment to MFN as the guiding principle of safeguards.

The third and final area that I want to consider is that of new issues. Since we lack experience in this area, common sense would seem to recommend a more cautious approach than in other areas. We should seek to lay a solid foundation upon which we can later build a more elaborate structure.

In order for the services agreement to be widely acceptable, any basis of agreement on services must, in my view, be fully consistent with both the MFN principle and the principle of progressive liberalization based on

level of development. In TRIPs, a balance needs to be achieved between the rights and obligations inherent in the use of intellectual property.

This Brussels meeting is the final opportunity that we Ministers will have as a group to determine the outcome of the Uruguay Round. It is political decisions that are required, above all, at this critical juncture to break the stalemates that have arisen in the various negotiating groups.

The spirit of compromise will thus be needed to finalize the four years of arduous negotiations. I am convinced that in seeking meaningful compromises, we can thereby more effectively defend the basic principles of GATT while extending and improving the practical operation of those principles.