

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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BRAZIL

Statement by H.E. Mr. Marcos Castrioto de Azambuja,
Special Representative of the President of the Republic,
General Secretary for Foreign Policy

We are gathered in this historic and hospitable city of Brussels where so many important decisions were taken in the past, and where the future of Europe is taking shape, to bring to a conclusion the Uruguay Round of Multilateral Trade Negotiations, thus complying with the mandate approved in September 1986.

All along these four years much time and energy was devoted to the ambitious - but not unrealistic - task of reaching agreements on the many different areas outlined in the Punta del Este Declaration. More significantly, while this negotiating process was unfolding, several developing countries made an important contribution to the objectives of liberalization and expansion of international trade.

Brazil, in particular, under the administration of President Fernando Collor, adopted, in an autonomous way, ample, diversified and far-reaching measures designed to expose its industries to foreign competition and facilitate access to its markets. This was done against a background of persisting difficulties and largely adverse changes in the international environment. In recent months we have witnessed trends and manifestations which have shown how complex and difficult the issues at stake in this Round are. The efforts that we have made in order to liberalize our own import régime must be accompanied by policies and practices which allow us to integrate competitively in the international economy without losing sight of our development needs. We need in particular some flexibility to utilize the instruments required to stimulate technological progress and investments.

Brazil is nevertheless prepared to pursue its efforts to strengthen the multilateral trading system and even intensify them - within the limits of its capacity - so that we can wrap up, here in Brussels, a package deal that can effectively bring about better prospects for the world economy and the future of developing countries. The final results of these negotiations should in any case be balanced, equitable and acceptable to all participants.

At this critical moment a number of question marks still wait for an answer prior to a successful conclusion of the Round. To start with, it is unclear whether the agricultural impasse which has contaminated other areas of negotiation can be overcome. The Brazilian delegation and, I feel sure, many others could not accept new proposals that would fall short of the goal of introducing a more open and freer trade for agricultural products. What we are looking for are specific commitments in the three elements of the agricultural reform, and first and foremost in export subsidies, which are most detrimental to world trade. Of course the concept of rebalancing has to be ruled out altogether.

However, should there be substantial movement in this crucial area, we are ready to engage in frank and hopefully fruitful debates, even at this late hour, aiming at decisive political breakthroughs. We have participated actively and constructively in the discussions that have taken place in Geneva. We are therefore willing as suggested by the Director-General of GATT to negotiate, negotiate and negotiate. That is what we are here for. One should not miss this historic opportunity to salvage the multilateral trading system to the benefit of all.