

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

MTN.TNC/MIN(90)/ST/41
4 December 1990
Special Distribution

Trade Negotiations Committee
Meeting at Ministerial Level
Brussels, December 1990

Original: English

GHANA

Statement by H.E. Mr. Huudu Yahaya,
PNDC Secretary for Trade and Tourism

Accept, Mr. Chairman, on behalf of my delegation and on my own behalf the warmest congratulations on your election as Chairman of the Trade Negotiations Committee, and it is our hope that your enormous experience will bring our deliberations to the desired conclusion.

I wish to also place on record the sincere appreciation of my delegation to the Government and people of the Kingdom of Belgium for their warm hospitality and the excellent facilities which have been placed at our disposal.

We have met here this week to conclude yet another round of multilateral trade negotiations, the Uruguay Round. It is important to recall that the Uruguay Round has as one of its objectives the following, I quote:

"To bring about further liberalization and expansion of world trade to the benefit of all countries, especially less-developed contracting parties including the improvement of access to markets by the reduction and elimination of tariffs, quantitative restrictions and other non-tariff measures and obstacles."

For the delegation of Ghana, the success of the Round should not be judged merely by the openings and trade opportunities that have thus been created, but more importantly by the ability of all manner of countries to be able to take advantage of the opportunities to transform their economies to vastly improve the living standards and quality of life of their people.

It is in this light that my delegation wishes to bring to the attention of this meeting the slowdown in the momentum of developing Africa's economic growth and her deteriorating performance in international trade.

Africa's share of total world exports declined steadily during the 1980s, from 4.7 per cent in 1980 to an average of 2.1 per cent in 1988-1989. It is interesting to note that part of this period of steady decline coincided with the duration of the Uruguay Round.

The trade structure of developing Africa has its own characteristics. It continues to be characterized by a high dependence on a narrow base of primary commodities as the main source of foreign exchange, declining

commodity prices, deteriorating terms of trade, all resulting in acute foreign exchange shortages, persistent balance-of-payment deficits and the mounting of foreign debt. This dismal situation is compounded by the vulnerability of African countries to the external economic environment.

It bears emphasizing that for the most part of Africa, in view of the fact that export production of commodities remains the main stimulus of growth, the constant fluctuations on the world market certainly have serious effects on the economic developmental efforts of Africa. Clearly it is impossible for African countries to sustain any meaningful development under these circumstances. On the whole, African countries face a daunting task in the 1990s.

It is the considered view of my delegation that as contracting parties, the poor performance of a whole region in international trade and the halting pace of its development should be of serious concern to all other contracting parties within GATT for its consequential impact on development and standard of living of its people.

My country, like other less-developed contracting parties, has participated actively in the negotiations because of its firm belief in multilateralism and a world liberal trade régime. My country is of the firm belief that there is no other viable alternative to multilateralism. It is only in the multilateral system that the interests of the small countries could be guaranteed. With the manifold international economic problems, multilateralism has become even more important now.

My country, as well as other less-developed contracting parties, have initiated a sharply focused and operational set of activities in the context of structural adjustment programmes aimed at the rapid recovery of their economies and an important plank of these policies has been trade liberalization. Needless to mention that these policies have been implemented at great social cost.

As part of her continuing process in the liberalization of the trade and payment system, the Government of Ghana has abolished the import licensing system and all forms of quantitative restrictions removed. Additionally, the foreign exchange market has been liberalized.

These substantial sacrifices and contributions of Africa will be of little or no avail if African countries are unable to also exploit the opportunities of the Uruguay Round to improve their terms of trade.

My delegation therefore considers it important for contracting parties not only to agree but also to commit themselves to supplementary measures and strategies that will allow Africa to pull itself out of its present downward spiral to one of growth and development. Such measures, which should inter alia include increased financial assistance for export development, diversification and promotion, should be channelled through both bilateral and multilateral means.

Before I conclude, permit me to elaborate on some specific issues of the Round. While we favour the need for the establishment of stronger GATT rules and disciplines in agricultural trade, we are also of the opinion that it is essential for action to be taken on the possible effects in the short term on the economies of the poorer countries regarding food imports. The impact of any agricultural trade reform will be quite immense and will certainly affect the already slow pace of our development.

We consider the provisions of Article XVIII:B as even more essential now to the needs of a considerable number of developing countries as their balance-of-payments situations continue to worsen. Any attempt in respect of this Article to make its invocation difficult will be counter-productive and should therefore be avoided.

On coherence between trade, finance and development policies, we consider it imperative for full harmony in the rules of GATT on the one hand and the other multilateral organisations, including the IMF and the World Bank, on the other, to ensure that the policies of the financial and development institutions do not conflict with the rights and privileges of developing contracting parties in GATT.

While expressing our faith in and commitment to multilateralism, my delegation would like to indicate its concern over a particular aspect of the negotiating process by which we arrive at our decisions. We have come a long way to Brussels and achieved a large measure of success over the years in harmonizing our respective trading interests. It is regrettable, however, to mention that one of the basic principles in our negotiating process - the principle of transparency - has not always been adhered to. It is recalled that at our last Ministerial meeting in Montreal, several delegations expressed dissatisfaction at the fact that the major discussions between certain contracting parties excluded a number of delegations, most from the developing world. My delegation would hope that in these final rounds of our talks, all delegations will be given the opportunity to contribute fully and effectively.

In conclusion, the delegation of Ghana believes that GATT can help build a future for world trade that is more prosperous and more secure for the mutual benefit of all countries, if really we are committed to multilateralism and, in Mr. Delors' words, "solidarity".