

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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BANGLADESH

Statement by H.E. Mr. M. Mokammel Haque,
Secretary: Ministry of Commerce

Please allow me, on behalf of my delegation and myself to express our happiness to see you preside over this historic meeting of the Trade Negotiations Committee (TNC). We are confident that with your outstanding leadership, vision and pragmatism you would guide us to the achievement of the objectives that we have set for ourselves.

We are assembled here at the concluding step of the eighth round of multilateral trade negotiations, which has come to be known as the Uruguay Round, for formally owning the results which our negotiators in Geneva have been able to curve out so far; attend to outstanding issues relating to the negotiations; as well as deliberate on further works relating to the implementation of the results during the post-Uruguay Round period.

From the very day of its launching at Punta del Este, on 20 September 1986, outstanding personalities who enjoy eminence not only in the field of trade negotiations, but also in spheres of politics and economics, started qualifying the Round as the most ambitious and complex ever undertaken during the post-War period. It has also been viewed that the Uruguay Round offers a historic opportunity for shaping a new multilateral system of international economic relations with trade as its nucleus - a system that would embody a new consensus on international economic co-operation for development, identifying the contribution of the external sectors to development and include, as one of its salient principles, new contemporary approaches to the problems of economic development and growth. Recognition of economic interdependence, including the interdependence of trade in goods, technology, investment and services, is to provide one of the soundest foundations for such a system.

As reflected in the Declaration of Punta del Este, participants to the Uruguay Round made a political commitment to halt and reverse protectionism; to remove distortions to trade; to preserve the basic principles and to further the objectives of the GATT; to develop a more open, viable and durable multilateral trading system and thus to promote growth and development.

To bring about further liberalization of trade in goods through the reduction and elimination of tariffs and non-tariff measures, including strengthened and objective multilateral disciplines that protect and underpin freer and increased market access, constitutes the essence of the commitment in the traditional trade negotiations.

To strengthen the multilateral trading system and restore the credibility of GATT in the international economic sphere, shunning of protectionism by, among other things, implementation of the standstill and rollback commitments and the conclusion of a global agreement on safeguards; widening the coverage of the General Agreement by bringing about the long over due necessary reforms of the agricultural régime and the return of the textiles and clothing sector to the GATT, among other things, constitute the substance of the political commitment with regard to the continuing backlog and traditional areas of international trade.

The inclusion of new subjects in the negotiations and subsequent developments in the treatment of the areas relating to services, investments and intellectual property rights have given a special dimension to the Uruguay Round.

The greatest challenge that has confronted the GATT system in its entire history is the creation of optimal conditions for greater participation by the developing countries, including the least-developed among them.

From the number of outstanding issues which have been listed for resolving at political level, it is obvious that we are not yet at the stage of expressing concerns, anxiety and disappointments nor satisfaction at the results presented before us. What we need is an objective and dispassionate evaluation of what has been achieved so far, keeping in view the Punta del Este mandates and aspirations of the participants to the Round and determined action, backed by political will, to secure further achievements in the course of this week. My delegation attempted an evaluation of the results from these angles and some of the stumbling blocks, in the perception of my delegation, are:

- In the areas of standstill and rollback and in market access - tariffs, non-tariff measures, textiles and clothing, natural resource-based products and agriculture, actions and commitments by the participants are considered to be inadequate.
- In the most important rule-making areas there is no perceptible movements towards the prohibition of protectionist trade policies and unilateralism; consequently, consensus is yet to be reached on restoring the validity of the principle of non-discrimination.
- In the new areas, apprehension about the establishment of imbalanced arrangements is of great concern to the developing

countries as imposition of commitments foreseen in these arrangements would not only be more burdensome but also be likely to have repercussions on the development process of the developing countries, unless the development dimension is accommodated adequately in them.

- Fear of continued sapping of the MFN principles through selectivity and discrimination and the tendency towards curving different trading blocks at the cost of global free trade, are continually haunting the developing country participants.

While we recognize that for forging further convergence of positions so as to secure more agreed results, outstanding issues should engage the priority attention of the important factors, I would at the same time like to flag here the specific concerns of the least-developed countries on whose behalf my delegation, it may kindly be recalled, submitted proposals to different Negotiating Groups. Our proposals, in essence, seek market access, free of all tariff and non-tariff barriers for our products. Based on the core elements of our submissions in the market access and rule-making areas, we have drawn and communicated to the TNC a Draft Decision (MTN.TNC/W/34) for adoption by it as an integral part of the results of the Uruguay Round. I would, accordingly, invite attention of the participants to this Draft Decision for consideration and adoption.

In the context of our Draft Decision I would like to point out that historical factors and forces and realities on the ground, including competing exportables produced by the developing and the least-developed participants to the Round, and overriding needs of the least-developed Countries to earn hard currencies determine both the traditional directions and destinations of the flow of products of the least-developed countries. It is in this context we would particularly invite the attention of our historically determined trading partners to our Draft Decision.

In any arrangements and agreements in the agricultural sector/and in the new areas, we would urge upon the participants, in recognition of the particular situation and problems of the least-developed countries and as part of according special treatment to them to accommodate the following:

- to provide for the development dimension of the least-developed countries;
- to provide for adequate food aid to offset the likely erosion in the least-developed countries' purchasing power of food, and to work out, as an integral part of the agricultural reform programme, details of the food aid package, including inter-alia, identification of sources contributing to the pool of food aid and institutional arrangements for effectively reaching food aid to the adversely affected countries;

- to enable the least-developed countries to adopt, through the instrumentality of national policies and legislations, measures to attract and retain investment resources as well as secure access to needed technologies;
- to provide for unhindered movements of and temporary residence for the least-developed countries' service providers, including their skilled, semi-skilled and unskilled work force into the markets of service consumers;
- to provide for special rules or origin allowing for lower local content requirements as well as flexibility and simplicity in rules and procedures;
- to ensure adequate direct financial and technical assistance for the development of the agricultural sector and for broadening production and export bases of the service sectors of the least-developed countries.

We maintain that the particular situation and problems of the least-developed countries would not allow them to take any obligations and make any concessions or contributions corresponding to any degree of reciprocity, whatsoever, so long as they continue to stay at such a stage of development for according to them special treatment in all areas of negotiations. The prospect of eradicating their under-development is likely to be more in sight if the least-developed countries, inter-alia, are allowed full market access globally without placing any reciprocal demand on them and necessary provision for such access, as a matter of right, be enshrined in the GATT.

Whatever the conflicts and uncertainties of international economic relations, a framework of rules can still have its advantages. Concern for national economic security should enhance rather than reduce the value of a framework of rules. Rules simplify the management of international conflicts. They reduce the administrative burden particularly of small countries and economies. They avoid the need for countries with small resources to enter into long-drawn series of bilateral negotiations that would strain their capacities to negotiate. But rules must not thwart the natural comparative advantage which is the fundamental determinant of the international division of labour and which constitute the basis of international trade.

We are right now at a crossroads of history. Expectations placed on all of us jointly and severally are great. Our stake, therefore, is too great not to see the Round succeed. Success in the Uruguay Round is the surest insurance to sail on the boat of multilateralism to a safe and predictable voyage of liberalizing the global trading system and thus make interdependence of nations truly meaningful during the 1990s and beyond.