

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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Trade Negotiations Committee  
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INDONESIA

Statement by H.E. Dr. Arifin M. Siregar,  
Minister of Trade

My delegation comes here ready to work together in order to achieve progress at this Ministerial meeting. Throughout the period of the negotiations, we have always taken a positive approach to the endeavour. However, today, at the last week of the Round, we are at risk of not completing our work because some fundamental issues requiring statesmanship and courage among major economic powers must remain to be taken.

Indonesia as well as the other ASEAN countries are committed to the maintenance of an open world trading system based on fair and predictable multilateral rules. Consistent with this commitment, my country has undertaken a series of wide-ranging reforms in order to make the necessary adjustment to meet changing global realities and to be more outward looking. These reforms started long before the Round was launched. They will continue after the Round.

Access to market is obviously a vital aspect of this Round. It is regrettable that the extent of liberalization in tropical products, which was supposed to have been the area where early progress would be made, has not progressed the way we envisioned in Punta del Este. Similarly, in tariffs and non-tariff negotiations, despite the contribution that many developing countries have made in the form of autonomous liberalization, the question of an appropriate recognition was virtually set aside. In natural resource-based products, rather than focussing on the mandate of the Punta del Este Declaration, negotiations deviated to the question of access to resources which led the process astray from the original purpose. It is crucial that we devote a serious effort to ensure that further progress be achieved in the remaining time in Brussels.

Regarding the two major unresolved questions in traditionally traded products of textiles and agriculture, allow me to stress that these questions are indeed of vital importance in this Round.

In textiles, the discriminatory restrictions imposed on developing countries must be put to an end. We must agree and prepare a credible programme of integrating textiles back to GATT. Such an agreement must

contain economic provisions which ensure that a substantial portion of products would be phased out from restrictions before the end of the transition period. Moreover, growth rate for the quotas of products still under restrictions must be such that towards the end of the transition period the rate of growth would be high enough to ensure a meaningful process of liberalization. As to the transition period we believe that it should be completed by around the year 2000.

As to agriculture, we share the belief that we must ensure that world trade in agriculture must be made to be more market responsive. We urge some major developed countries to be more forthcoming in their contribution towards a less distortive policy in agriculture.

As to the area of rules, we share the concern of the smaller trading countries of the world about the importance of establishing fair and predictable multilateral rules in trade. We wish to reiterate the importance of preventing the use of anti-dumping and subsidies rules as an instrument of disguised protectionism.

On the new issues, my country has always taken an open and constructive attitude. We have repeatedly reiterated that we are willing to negotiate with trading partners in order to arrive at a common agreement. However, we have also made it very clear that our starting premise is that any international agreement on the new issues should be compatible with the more fundamentally important objective of development.

In TRIPs, we have been forthcoming in our negotiations. However, it is also important that the burden on standards and an enforcement must be consistent with our level of development. Moreover, the transitional period for complying with the international agreement must be such that it takes into account the situation of developing countries.

In TRIMs, the absence of a negotiating paper indicates that countries are far apart in their views about what are the relevant issues in the subject. Indeed investment is a sensitive issue connected with the development programme of any country, especially developing countries. Many, if not all, developing countries find it difficult to accept the concept of prohibition of investment measures based on presumed trade distortion effects. We want to add, however, that we are willing to explore a solution which is mutually satisfactory.

In service, allow me to express that when we started negotiations, we felt uneasy in approaching the subject. We did not know enough about the complexity of the subject. During the negotiations, all of us began to know enough about the subject to be persuaded that in any framework agreement in services, the principle of m.f.n. must be an integral part of it. Any deviation should be treated in the sectoral agreement and must have a limited duration.

We are in the last stage of the Uruguay Round. The progress or the lack of it so far has given rise to justified pessimism. The time has come for all of us to take the political courage to prevent the Uruguay Round from being a failure, and to ensure that international trade in the next century would be able to grow in a sounder way. We are ready to shoulder our share of the burden. I appeal to the major as well as other trading partners to exercise the necessary statesmanship to ensure that the fountain of goodwill still remaining could be harnessed to achieve success in this Round.