

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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MAURITIUS

Statement by H.E. Mr. Raymond Chasle,
Permanent Representative to GATT

The presence of His Majesty the King at the opening of this Conference demonstrates the special significance Belgium attaches to this Ministerial meeting. We wish to express to Mr. Wilfried Martens, the Prime Minister, Mr. Robert Urbain, the Minister of Commerce and the whole Government and people of Belgium, our appreciation for the splendid organization for the conduct of this important Conference and their warm hospitality.

By launching in 1986 the Uruguay Round, we set ourselves a very ambitious objective - unprecedented in its complexity and coverage - the strengthening of the multilateral trading system and the liberalization and expansion of world trade for the benefit of all participants.

This objective is of special importance for developing countries for which a multilateral trading system based on clear and enforceable rules and disciplines is the only guarantee against protectionism and trade barriers.

Before I set out to underscore certain specific areas of interest to Mauritius, I wish to draw special attention to the relationship between production, debt, investment and trade on the one hand, and the interdependence between trade, financial and monetary matters on the other hand. In this context, the instability and indeed the collapse of prices in respect of certain commodities can have a far-reaching impact on the level of export earnings and negate the positive effects of world trade liberalization.

Mauritius is a small island developing country which, despite its limited resources, its geographical location, its extreme vulnerability to external factors has adopted an open economy and an export-oriented industrial development strategy.

Improved access for certain agricultural and industrial products is, therefore, vital for Mauritius. Having regard to its relative success in its efforts at economic development and industrialisation, the maintenance of an effective level of trade preferences and the safeguard of the 'acquis' of preferential access enshrined in contractual agreements are vital for the development of Mauritius.

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Mauritius holds the spokesmanship on sugar in the context of the relationship between African, Caribbean and Pacific Group of States, and the European Economic Community. It is our duty, therefore, on this historic occasion to stress the fact that while the sugar-supplying countries of the ACP Group favour liberalization of trade in agricultural products, we must highlight the specificity of this commodity, the volatile nature of an unregulated world market with generally abnormally low price levels. These countries, therefore, attach the highest importance to the guarantees inscribed in the unique and exemplary trade instrument which they have entered into with the European Community.

While Mauritius recognizes the need for the harmonization of rules of origin, it feels that these rules should not relate to contractual trade régimes under which tariff preferences are granted.

The question of food security is of paramount importance. If net food-importing countries like Mauritius are to benefit from the final package on agriculture, this aspect of the agreement must be fully taken into account. In line with the agreement reached at the Mid-Term Review, possible negative effects of the reform process on net food-importing developing countries must at all cost be averted.

A similar upsurge in the import bills may adversely affect our balance-of-payments. Hence the need to retain the acquired rights under the current Article 18(B) of the General Agreement. We cannot contemplate any change of this Article.

There is again in any package to be devised for trade in agriculture the crucial necessity of maintaining the continued viability of preferential trade arrangements entered into a group of developed and a group of developing countries on agricultural products, the production and export of which are vital for the livelihood and well-being of their populations, their economic development and social progress.

As regards textiles and clothing, there will be a need in the final agreement to ensure that all small suppliers of textiles and clothing are not subjected to any quantitative and tariff restrictions during the transitional period. The full integration of the textiles sector within GATT should not act itself as a barrier to trade and impede access to major markets or provide for selective application of certain rules.

Similarly, with respect to the safeguard clause, Mauritius insists that it should continue to be applied on an MFN basis. Any deviation from this fundamental principle will weaken the multilateral trading system, the strengthening of which is our proclaimed objective.

On both TRIPs and TRIMs, eventual agreements must take into account the developmental aspects, the health and welfare and technological needs of developing countries. It will be difficult to accept norms and standards which are not compatible with our relatively low level of economic and technological development.

On trade in services, the Multilateral Framework Agreement should build in provisions which are geared towards the development of the domestic service sectors. It is only through the development and strengthening of their service industries, and without impingement on their sovereignty, that developing countries will participate effectively in and benefit from trade in services.

To conclude, Brussels is a city where a series of historic conferences have taken place since the last century and where decisions taken have had a positive influence on the lives of the population of the South. It is all the more important momentous decisions that in this special critical juncture the name of Brussels should at the end of this Ministerial Conference be associated with a package which is acceptable to all participating countries and, more importantly, adequately safeguards and enhances the interests of the less-developed countries.