

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Trade Negotiations Committee

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COMMUNICATION FROM THE FOOD AND AGRICULTURE
ORGANIZATION OF THE UNITED NATIONS

The following communication, dated 12 December 1991, and addressed to the Chairman of the Trade Negotiations Committee at official level, has been received from the Food and Agriculture Organization of the United Nations, with the request that it be brought to the attention of the Uruguay Round participants.

The FAO Conference, at its Twenty-sixth Session in November, requested me to convey its views to the negotiators in the Uruguay Round through the Chairman of the Trade Negotiations Committee, expressing its concern about the state of world trade in agriculture and the urgent need for a rapid and successful conclusion to the Uruguay Round.

Accordingly, I have written a letter to the Chairman, H.E. Dr. Héctor Gros Espiell, which I am copying to you in the official languages of the GATT in order to facilitate its transmission to participants in the Uruguay Round, as requested by the FAO Conference.

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The Twenty-sixth Session of the Conference of the Food and Agriculture Organization of the United Nations (FAO), comprising 160 Member Nations, was held in Rome during 9-28 November 1991 at the level of Ministers. The Conference expressed its concern about the state of world trade in agriculture and the urgent need for a rapid and successful conclusion to the Uruguay Round of multilateral trade negotiations. The Conference adopted the following statement on this matter on 25 November 1991 and requested me to convey its views to the negotiators in the Uruguay Round through you in your capacity as the Chairman of the Trade Negotiations Committee:

"The Conference noted that the increase in the value of agricultural exports that had occurred in the late 1980s was unevenly shared. While export earnings of the developed countries had expanded significantly, the Conference noted with concern that those of developing countries had stagnated and that their agricultural terms of trade had drastically worsened. Particular concern was expressed in this regard about the situation in Africa and Latin America and the Caribbean. The Conference underlined that substantive reductions in protectionism in agricultural markets and wider access to them were essential for agricultural exporting countries, particularly developing countries, to expand their export earnings. It also underlined that continued high levels of protectionism seriously hampered the efforts of many countries to restructure their economies and to service and reduce their debt burdens. It also noted that in some countries or groups of countries, barriers to trade served to stabilize domestic markets, but contributed to instability in international markets.

"The Conference, recognizing that the Uruguay Round of Multilateral Trade Negotiations were at a crucial stage, emphasized the urgent need for their rapid and successful conclusion so as to develop a more open, viable and durable multilateral trading system that would promote growth and development to the benefit of all countries. Noting that the objectives of the Round included the substantial and progressive reduction in trade-distorting support and protection mechanisms in agriculture, the Conference also stressed the urgent need that a comprehensive package of results should include reductions in domestic support and export subsidies, as well as improvements regarding market access for the agricultural sector. The Conference stressed the need for special and differential treatment of developing countries and for achieving the fullest reductions in trade barriers on products of export interest to them. It also stressed that ways should be found to take account of the possible negative impacts of the agricultural reform process on net food-importing developing countries. The Conference requested the Director-General to convey its views on the matter to the negotiators through the Chairman of the Trade Negotiations Committee of the Uruguay Round as a matter of urgency."