

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

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Special Distribution

Trade Negotiations Committee

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English

COMMUNICATION FROM THE LATIN AMERICAN COUNCIL

The following communication, dated 23 September 1992, and addressed to the Chairman of the Trade Negotiations Committee at official level, has been received from the Permanent Mission of Bolivia, as co-ordinator of the Latin American and Caribbean Group (GRULA-GATT), with the request that the following Decisions adopted by the Latin American Council of the Latin American Economic System (SELA) be brought to the attention of the Uruguay Round participants.

The Permanent Mission of Bolivia to the United Nations Office and other international organizations at Geneva presents its compliments to the Chairman of the Uruguay Round Trade Negotiations Committee and, in his capacity as co-ordinator of the GATT Group of Latin American and Caribbean Countries, wishes to inform him that at its meetings on 7 to 11 September the XVIII Latin American Council of the Latin American Economic System adopted two decisions of particular interest to members of the General Agreement and participants in the Uruguay Round. Copies of these decisions, in Spanish and English, are attached hereto.

Decision No. 332 reflects the Region's position on the present state of the current negotiations, while Decision No. 334 expresses its rejection of the announcement by the United States Government that it is to subsidize wheat export.

The Permanent Mission of Bolivia, on behalf of GRULA-GATT, would be obliged if the Chairman of the Trade Negotiations Committee would kindly have the above-mentioned Decisions circulated as Uruguay Round ("green-stripe") documents to participants, and takes this opportunity to renew its assurances of its highest consideration.

GATT SECRETARIAT

UR-92-0101

Decision No. 332

Uruguay Round

The Latin American Council,

Whereas:

The Uruguay Round of Multilateral Trade Negotiations have come to a standstill, primarily as a result of differences over agricultural trade;

The failure of the Uruguay Round would accentuate the loss of credibility of the multilateral trading system, further the tendencies towards unilateralism and bilateralism and enhance the protectionist tendencies of industrialized countries, with serious consequences for Latin American and Caribbean countries;

The SELA Member States have insistently demanded that the Uruguay Round come to a close with results that are in keeping with their unilateral efforts to liberalize trade;

Participants in the Uruguay Round have accepted the Draft Final Report presented by the Director-General of GATT on 21 December 1991 as a basis for continuing the negotiations;

Decides:

1. To express its serious concern over the deadlock in the Uruguay Round negotiations resulting from the inflexibility of the large industrialized powers and of their trading policies which undermine the multilateral trade system.
2. To emphatically call on all participants in the Uruguay Round, particularly the large trading powers, to bring the negotiations to a rapid and satisfactory conclusion with the greatest possible transparency by and with balanced results that promote trade liberalization and avoid discrimination.
3. To instruct the Permanent Secretary of SELA to transmit this decision of the Latin American Council to the Chairman of the Trade Negotiations Committee and to the GATT Latin American Group for their knowledge and its dissemination as an official document of the Uruguay Round.

Decision No. 334

Announcement on Wheat Export Subsidies

The Latin American Council,

Having seen:

The United States Government made an announcement on 2 September 1992 regarding its decision to sell subsidized wheat in the amount of almost 30 million tonnes on the international market;

That announcement is contrary to the commitment assumed by all the participants in the Uruguay Round contained in the Ministerial Declaration of Punta del Este of 1986 and in the 1989 Decision of the Trade Negotiations Committee, thus threatening the possibilities of achieving a balanced result in those negotiations;

The substantial volume and value involved is added to similar operations carried out by other countries on a permanent basis, thereby causing irreversible damage to the multilateral trade system.

Decides:

Article 1 - To express its rejection of the wheat export subsidy programme announced by the United States Government, as it considers that it impairs the freedom of international trade and could represent a serious obstacle to the success of the Uruguay Round.

Article 2 - To instruct the Permanent Secretariat to inform GRULA-GATT of the present Decision so that it can transmit it to the Chairman of the Trade Negotiations Committee, requesting him to make it known to all the countries participating in the Uruguay Round.