MULTILATERAL TRADE NEGOTIATIONS THE URUGUAY ROUND

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DECLARATION ON THE URUGUAY ROUND OF MULTILATERAL TRADE NEGOTIATIONS BY ASEAN ECONOMIC MINISTERS

In a communication dated 12 October 1993, the delegation of Singapore, on behalf of the ASEAN contracting parties to GATT - Indonesia, Malaysia, the Philippines, Singapore and Thailand -, has requested that the following "Declaration on the Uruguay Round of Multilateral Trade Negotiations" issued on the occasion of the 25th meeting of the ASEAN Economic Ministers held in Singapore on 7-8 October 1993, together with extracts from the Ministers' joint press statement, be circulated to the participants in the Uruguay Round.

- 1. The ASEAN Economic Ministers met in Singapore on 7-8 October and discussed, among other things, the developments in the Uruguay Round negotiations. They were of the view that prolonged delay in the UR negotiations has a negative impact on world trade, and that further delay would bring immeasurable adverse effects on the world economy. The Ministers therefore urged participating countries to work constructively to bring the Round to a successful conclusion by mid-December 1993, as set out by the GATT Director-General, and pledged ASEAN's continued support to attain this objective.
- 2. It was noted that ASEAN has already made their best efforts to offer tariff reductions and bindings in agricultural and industrial products. The Ministers, therefore, expect substantial results in the area of market access particularly in products of interest to ASEAN countries, namely agricultural products, tropical products, fishery products, textile and clothing, electronics and wood products.
- 3. The Ministers noted that the negotiation process has resumed after the Blair House Accord was reached. The Ministers expressed grave concern over the move to renegotiate the Blair House Accord which would unravel the Draft Final Act (DFA). The provisions of the DFA involved commitment to reduce domestic support and export subsidies and to liberalize market access. The re-opening of these provisions and other substantive provisions in the DFA would lead to serious drawback to the conclusion of the UR. The Ministers therefore called on all parties, particularly the majors, to adopt a pragmatic and constructive approach and demonstrate their leadership in bringing the Round to a successful conclusion by December.
- 4. With respect to institutional issues, the Ministers supported a stronger and viable multilateral trading system that is responsive to changes in the international trading environment. The establishment of the Multilateral Trade Organization (MTO) would represent a significant step towards the creation of such a system which will provide an effective institutional framework for the implementation of UR results.

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5. The Ministers stressed that benefits to be achieved from the negotiations should be well balanced and equitable for all participants. They reiterated the need to have a meeting towards the end of the Round to assess the overall results of the negotiations as stipulated in the Punta del Este Declaration.

Extracts from the Ministers' Joint Press Statement

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- 21. In reviewing global trade developments, the Ministers expressed deep concern over the elusive and long-awaited conclusion of the Uruguay Round. The Ministers expressed hope that all GATT members should capitalize on the recent impetus achieved at the G-7 Summit to conclude the 7-year old multilateral talks. In this connection, the Ministers registered concern with attempts to re-open the Blair House Accord and re-visit substantive provisions of the Draft Final Act, and thus threaten to once again stall current efforts to conclude the Round by this December. The Ministers reiterated that a successful conclusion of the Uruguay Round is necessary to revitalize world trade.
- 22. The Ministers reiterated calls on the major countries to exercise the political courage and take the necessary decisions. The indicated that their respective countries were ready to play their parts to bring the Uruguay Round to a successful conclusion. They recognized that a successful conclusion of the Round with a balanced and comprehensive package for liberalizing market access on goods and services would increase growth in world trade, dampen protectionist pressure, and generate global economic reforms. In this connection, a separate statement was issued by the Ministers.
- On international economic trends, the Ministers noted a global shift towards regionalism in recent years. They stressed the need for regional groupings such as the European Single Market (SEM), North American Free-Trade Agreement (NAFTA) to remain open and transparent while seeking to expand intra-regional trade. Regional trade groupings should complement GATT and contribute towards a faster and significant conclusion of the Round.