

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Trade Negotiations Committee

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EUROPEAN COMMUNITIES

Statement by Mr. Hugo Paemen
Head of Delegation

Director-General, Commission of the European Communities

Mr. Chairman, this is probably the last meeting of the TNC before the Ministerial conference. If many of us will soon leave this meeting room with a sigh of relief, we also will be able to nurture a feeling of accomplishment. Many outside the room will also be relieved and satisfied. If that is possible today it is in large part thanks to your leadership during the last months of these lengthy negotiations.

You have heard many statements during the many years that the Uruguay Round negotiations have lasted and you will not want to hear another long speech from me today. Nor do I feel like making one. We will need some time and some more distance from recent events to make an accurate assessment of the results achieved today. I will therefore only share with you a number of points which appear to me now the most important.

The Round was launched at a time when the world economy was in better shape than today. It is being concluded at a time of recession and great uncertainty. Unemployment is ravaging the economies of many countries. The agreement that has been reached is therefore a considerable achievement and will, without doubt, stimulate and generalize the economic recovery.

The negotiations have been painful for all participants and none have achieved all of their initial objectives. I am aware that for most participants the results of the market-access negotiations on goods and services in particular are a disappointment. We share this disappointment. The results are, for all participants, less than they hoped for. Here I think particularly of the developing countries which will nevertheless be winners in the longer run.

Viewed globally, the Round has, however, achieved its major aims. It has liberalized trade. It has improved the rules. It has strengthened the multilateral trading system. It has improved the dispute settlement mechanism which is the backbone of the system and provides a rampart against any unilateral temptations. It has extended the system to new areas. Finally, the Round has created the right conditions for further improvements to deal with rapidly changing developments. It is not the end of a voyage but rather the beginning.

We are beginning to build a worldwide economic democracy in which each member is responsible for its rights and obligations in which both the private sector and consumers are concerned and with which they should be involved.

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All participants will share in the benefits that our agreement will provide. Our agreement will help to restore confidence in international cooperation and in the multilateral system. Our success shows that all participants have recognized that there is no alternative to this system which is becoming more and more universal.

Before concluding, I would like to refer to three points which are close to our hearts.

First, in the field of maritime transport, the Community and its Member States expect their partners to match their own record of openness to international trade, and will continue to pursue in the multilateral negotiations now envisaged the acceptance by all partners of full standstill, the rollback of current protectionist or discriminatory measures and the maintenance of full m.f.n. Meanwhile, the Community and its Member States will maintain full flexibility to use the current legislation to defend European Community shipowners' interests in any conflict with third countries.

Second, a work programme is to be agreed on trade and environment which should enable us to inject concerns for the environment in all aspects of the work of the organization. This holds great promise for the future.

Finally, trade has now achieved its "lettres de noblesse" and is an essential element in macroeconomic policy coherence both nationally and internationally.

For all these reasons, the European Communities and its Member States are committed to the results achieved. I will recommend that my authorities propose their formal adoption by the Council of Ministers. We count on all participants to do the same.