

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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EUROPEAN COMMUNITIES

Statement by His Excellency Mr. Theodoros Pangalos
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Presidency of the Council of the European Communities

Our long journey has finally drawn to a close. Marrakesh is the crowning moment of a vast collective enterprise conducted over nearly seven years, and opens a new era of hope at the dawn of the twenty-first century. The European Union takes this opportunity to pay a tribute to His Majesty King Hassan II for his outstanding personal contribution to the success of this Conference, and thanks the Moroccan authorities and people for the warmth of their magnificent hospitality.

Morocco, a crossroads and a veritable bridge between Europe and the African continent, and its fascinating imperial city Marrakesh are powerful symbols of the common objectives that we have pursued throughout the Uruguay Round negotiations: the boldness and ambition to build a multilateral trade edifice characterized by universality, durability and ability to adapt; a political vision of a world of greater solidarity that takes everyone's interests into account; an act of faith in the primacy of multilateral law, which guarantees that everyone, from the weakest to the strongest, is on an equal footing in the defence of his rights and the fulfilment of his obligations.

Boldness and ambition are the great achievements of these negotiations. Unlike the results of many international negotiations, those of the Uruguay Round are amply commensurate with the basic objectives of Punta del Este. The substantial opening of markets; the integration or reintegration in the multilateral trade system of sectors that were outside it; innovative agreements on such subjects as services and intellectual property; and lastly, stricter rules and disciplines geared to the needs of the world economy are tangible proof of this. But we have even gone beyond those objectives by establishing a new World Trade Organization, of which the European Union has been an ardent promoter and defender from the outset. The French writer Chateaubriand wrote that any opinion died powerless or frenzied if it was not lodged in an assembly that equipped it with will and gave it the power of action. Thanks to the WTO, we now have such an assembly that will ensure uniform implementation of all the results and which, through its bodies and Ministerial conferences, will spearhead continued action.

The other characteristic trait of the results of this Round has been the deliberate search for a world of greater solidarity. Modern communications networks, the introduction of new technologies that shrink time and space, and the interpenetration of economies have transformed the configuration of our planet, on which all countries have become next-door neighbours. This situation has led us to be heedful of one another's concerns. These negotiations have been the occasion of a collective realization that a strengthened multilateral trade system would contribute to economic development, the growth of the world economy and the creation of jobs. The concessions granted are a gamble on the ability of our economies to adapt to increased competition. At the same time, the policies we are pursuing in fulfilment of new international obligations have been shown to be justified and hence constitute a framework of stability and security for our economic operators.

The primacy of multilateral law that the WTO embodies is the new comet that must guide us all in our daily activities. We are henceforth bound by a joint contract in the form of specific commitments and detailed rules and disciplines making a coherent whole. No country will be able any longer to claim that because its name is "Lion" it can arrogate to itself certain unilateral possibilities and consider itself released from its international obligations. The new system of dispute settlement will be the inescapable instrument for settling disputes on the basis of a fair and impartial ruling. A treaty is of value only through its implementation. I can assure you that the European Union will abide scrupulously by the commitments it has made. It will also keep a keen watch to ensure that its partners do the same, so that the primacy of multilateral law is borne out in practice.

No treaty can lay claim to perfection. The symphony of the Uruguay Round contains some unfinished parts, in particular in the area of aviation, on which the European Union expects the negotiations to be conducted quickly in the coming months, in keeping with the TNC's conclusions of 15 December 1993. I also note that negotiations are to begin, not later than one month after the signing at Marrakesh, in certain areas of services in which great economic issues are at stake.

The documents to which we shall be affixing our signatures are not static instruments. The world economy is evolving rapidly and generating new problems that go beyond national borders. The WTO is designed to be a dynamic forum, because public opinion in our countries will judge the credibility and strength of this Organization not only on its ability to ensure the fulfilment of commitments made but also on its willingness to pick up new challenges.

The Uruguay Round negotiations have been guided by the quest for greater coherence between the various components of trade policies, allowance for the effects of domestic policies on trade policies and concern to ensure that the opening of markets is effected in non-discriminatory fashion and under conditions of fair competition. These principles will retain their relevance to all developments in our multilateral trade system.

The Ministerial Decision that we shall adopt on trade and environment is consistent with that logic. No one can deny the growing interactions between them. The purpose of examining them is to arrive at solutions compatible both with the open, fair and non-discriminatory nature of the multilateral trade system and with legitimate concern to conserve the national and international environment. The establishment of an institutional structure on this subject in our Organization and the preparation of a well-filled initial programme of work are important landmarks and promise well for the future.

In the same way it seems to me only natural, in an increasingly globalized world economy, to intensify interaction between trade policies and other policies, for example those relating to financial and monetary matters, rules of competition and certain social questions.

As to trade and currency, the European Union is in a good position to know that only stable and coherent economic and monetary policies will enable it to utilize the full potential of its single market. The gradual installation of an economic and monetary union in accordance with the provisions of the Maastricht Treaty meets that need. You will thus understand that, in the European Union's view, greater coherence between trade policies, monetary policies and financial policies is desirable at the international level. The results of the Uruguay Round take a step in that direction by providing for increased cooperation between the WTO and the Bretton Woods organizations. We are confident that this increased cooperation will quickly be put into practice.

As to other policies, the European Union recognizes that their interactions with trade policies are complex. It is true that the development of social working conditions and certain aspects of competition which have usually been the exclusive prerogative of States have sporadically been the

subject of work or conventions at the international level, in particular in organizations of the United Nations system. The European Union is in favour of more detailed discussion on those subjects. Increased international competition, however, has aroused more general fears among public opinion in certain countries. Is it reasonable to dismiss those fears out of hand? Would it not be more profitable for us to start a constructive dialogue in which, on the basis of objective analyses, we might listen to the concerns of this party or that, dispel any misunderstandings and provide answers to clearly defined questions?

The European Union would like to avoid any misconceptions in this regard. It is not a question of creating a new North-South division: suffice it to point out that even among industrialized countries, even in the European Union, points of view are not uniform. Nor is it a question of introducing, by devious routes, new forms of protectionism, which are the very antithesis of the social progress we are all seeking. Lastly, it is not our intention to impose a model of society: diversity of cultures is part of the world heritage, and each country is best capable of organizing its own structures to ensure social cohesion while upholding the universal principles of human rights and fundamental freedoms.

Europe knows that isolation and introspection are false solutions, always illusory and sometimes dangerous. European identity is the foundation of the European Union. But this Union intends to be more open than ever to the rest of the world. The signing at Marrakesh, by the Community and its member States, of the Final Act and the Agreement Establishing the WTO will be a brilliant demonstration of our unbreakable and irreversible commitment to ever-closer international cooperation and of our hope that this signature will mark the beginning of a new era which will bring more peace and prosperity to all our peoples.