MULTILATERAL TRADE NEGOTIATIONS THE URUGUAY ROUND

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TUNISIA

Statement by Mr. Habib Ben Yahia Minister for Foreign Affairs

Allow me firstly to pay a tribute to His Majesty King Hassan II, and to the Government and fraternal people of Morocco, for their traditional and warm hospitality and the excellent organization of this Meeting.

Our meeting today in the historic city of Marrakesh which, in particular, witnessed in 1989 the culmination of the hopes of generations of Maghrebines in the creation of the Arab Maghreb Union, is of great significance. It both constitutes the happy outcome of a long and laborious process of multilateral trade negotiation and marks the advent of a new era in international relations, which we hope will be an era of generalized progress and prosperity.

It is also a pleasure for me to point out that this meeting is being held in Africa, a continent which is courageously facing up to a difficult economic situation but which retains the hope that the holding of this meeting in its territory reflects a greater will to cooperate and a new vision of international relations, and that it signifies recognition of the sacrifices made by the nations of this continent to the cause of opening up to trade and integration in the world economy.

Since the change of 7 November 1987 Tunisia has embarked upon a vast programme to restructure its economic and trade policy.

We have also striven to promote economic relations, particularly through the encouragement of partnership projects, convertibility of the dinar, the creation of economic free zones and the publication of a code of incentives for investment. These measures are the product of a broad vision which has its origins in a specifically Tunisian approach that has earned the respect of all, including international financial and monetary institutions. This international recognition is further evidence of the soundness and fairness of the Tunisian approach, which we see as structural and global.

With a view to consolidating its achievements, Tunisia has participated actively in the Uruguay Round negotiations, in which it has contributed to the process of liberalization set in train by making substantial offers in the fields of goods and services. It is continuing to cultivate the art of the possible with a view to achieving total synergy between national interests and international commitments.

As a net importer of food, my country has applied the concept of tariffication to all agricultural products. The commitments made in relation to services are a reflection, if such were needed, of our will to encourage investment. In the textiles sector, sensitive and extremely buoyant though it is, we have endeavoured to present a consistent supply.

These efforts reflect our political will to contribute to the new dynamics which the international community is seeking to develop, in both the economic and the political field, with a view to establishing new international relations based on solidarity and a balance of interests between States and regional groups.

We are privileged to witness this historic turning-point in the development of the GATT and to be present today at the culmination of the trade negotiations which have withstood the clashes of interests and strategies. Fortunately the logic of consensus and a sense of responsibility ultimately prevailed, making it possible to bring to an end the most extensive and ambitious negotiations ever undertaken under the auspices of the GATT.

The World Trade Organization, whose constituent agreement we shall be signing on Friday, is called upon in particular to rely on a coherent set of mechanisms, rules and disciplines. Thus the consolidation of the legal framework for international trade relations constitutes a guarantee of equitable free trade which, I need hardly say, presupposes fulfilment of the commitments made.

While we still deem it appropriate to reaffirm our attachment and adherence to the World Trade Organization, we believe that other questions of vital concern, particularly to the developing countries, deserve greater attention and appropriate action. In this respect the Tunis Declaration adopted by the African Ministers of Trade on 24 October 1993 emphasized the need for stable exchange rates to ensure the predictability and balance of trade.

Similarly the question of the environment, which in Tunisia is the subject of a veritable policy reflecting our profound conviction that this is a well-founded and legitimate concern, should not be used at the international level to justify restrictive and discriminatory measures calculated to create potentially controversial situations.

The risk of division was illustrated recently by the controversy over the inclusion of a social clause in the GATT agreements. This shows now gravely controversy can endanger the result of strenuous efforts.

While welcoming the compromise reached concerning the social clause, Tunisia hopes that the Preparatory Committee of the World Trade Organization will be able to extend its work to other matters.

The globalization of the economy prompts us to make a global and integrated approach to the problems and challenges which we have to deal with together, in a spirit of solidarity and with a keen sense of the collective interest, so that this young Organization may be credible, effective and full of promise for a steady improvement in the general well-being.

It is therefore important not to conceal any of the factors which make up the cost of production, irrespective of whether they are of greater concern to the countries of the North or of the South. These include the cost of financing, exchange rate fluctuations, the burden of external debt servicing, and social costs. All these factors affect the cost of production in one way or another.

It is essential not to give more than its share of weight to any particular factor, but to consider them comprehensively in order to establish ironclad rules of fair competition.

It is also for us to formulate and implement policies of economic partnership and co-development and a strategy for collective management of problems arising out of migratory flows: policies and strategy which in our view are capable of achieving the prosperity and well-being of mankind as a whole.

In this perspective, Tunisia joins with the other States in welcoming today's inauguration of an era which is the bearer of great hopes. The international community must take up the challenges of openness, cooperation and partnerships.

Such is our hope at this numerable time.