MULTILATERAL TRADE

NEGOTIATIONS

THE URUGUAY ROUND

Trade Negotiations Committee Meeting at Ministerial Level Marrakesh (Morocco), 12-15 April 1994

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INDONESIA

Statement by H.E. Mr. S.B. Joedono Minister of Trade

On behalf of my Government, I would like to express our highest appreciation to His Majesty King Hassan II and the Government of the Kingdom of Morocco for graciously hosting this historic Ministerial meeting. The magnificent surroundings of this beautiful city of Marrakesh will make this event even more memorable.

My delegation would also like to pay tribute to the Director-General of the GATT, Mr. Peter Sutherland, as well as to his predecessor Mr. Arthur Dunkel, for their able leadership without which we would not have completed the Uruguay Round negotiations. We are also grateful to the members of the GATT Secretariat for their tireless dedication and professional skill in providing us with valuable assistance.

We are aware of the burden that the new obligations implies. However, we accept the Uruguay Round package because we believe that the future of world economic growth and global prosperity as well as the prospects for development in developing countries, depend on the openness and justice of the international trading system.

Among the new obligations which we consider as a major concession is the agreement on intellectual property. In order for us to implement the agreement fully, we require technical assistance from our developed trading partners. As we make our adjustment, what we need most is technical cooperation and not legal harassment.

Likewise, in the field of services, the developing countries have accepted the obligations as a part of a global package despite the sacrifices we will have to make. Our contribution to the multilateral system in this field deserves to be recognized.

Greater market access opportunities for all trading nations has been among the principal objectives of the Round. Developing countries expect to see greater access for their exports in the years to come. Indonesia has placed 94 per cent of the product coverage of imports under bound tariffs, a substantial increase over previous concessions.

In the Uruguay Round package we have also agreed to bring textiles and agriculture gradually to conform to multilateral discipline. It is our hope that the new agreement will ultimately bring trade practices in these sectors to conform with GATT rules and remove the discriminatory practices against developing countries.

A dynamic and open world trading system also requires the willingness of all to accept the

inevitable shifts in comparative advantage and to undertake structural adjustments whenever needed and not to shift the burden of adjustment to weaker trading partners.

We developing countries are aware of the imperative of making structural adjustment. We have done our share in strengthening the multilateral system by implementing our domestic reforms to make our economy more responsive to the market, and by liberalizing our trade regime as the Uruguay Round proceeded. We have made these changes despite considerable political risk and social cost.

In this context, we note with alarm new tendencies in developed countries to restrict trade by using the pretext of social and environmental concerns. Not only will this kind of disguised protectionism negate the comparative advantage of developing countries but we also run the risk of unravelling the hard-won balance of rights, obligations and interests of all parties as embodied in the Final Act.

It is therefore incumbent upon all trading partners to refrain from weakening the yet to be established World Trade Organization by overloading it with controversial issues. Instead, we dare hope that the new organization will effectively serve as the guardian of a rule-based, predictable and non-discriminatory multilateral trading system and the guarantor of the rights of the weaker trading partners against arbitrary and unilateral actions of the strong.

In conclusion, Indonesia stands ready to work together with all trading partners, developing and developed, consistent with our trade, financial and development needs, for a strengthened, more open and just international trading system.