

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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SRI LANKA

Statement by the Hon. A.R. Munsoor,
Minister of Trade and Commerce

I deem it a great honour and a privilege to bring warm fraternal greetings to His Majesty King Hassan II of al-Mamlakah al-Maghribiyah and to the friendly and hospitable people of Morocco, from H.E. Dingiri Banda Wigeetunga, President of Sri Lanka for the prosperity and progress of the Kingdom of Morocco. May I also add my own greetings. We are particularly grateful to His Majesty King Hassan II for hosting this historic Ministerial meeting of the Uruguay Round and also for all the elaborate arrangements made for this event in this picturesque city of Marrakesh.

Let me also take this opportunity to reiterate our complete confidence and continued trust in you as the Foreign Minister of Uruguay, which gave the name to this most ambitious and wide ranging round of trade negotiations the international community has ever embarked upon, for the conduct of the deliberations of this meeting.

A special word of thanks should go to Mr. Peter Sutherland, Director-General of GATT and his dedicated staff of the Secretariat for all the preparatory work done for the smooth conduct of this Ministerial meeting.

This Meeting signifies the culmination of all our endeavours spread over seven years of negotiations. At this meeting, we are placing the legal stamp of acceptance to the results of the Uruguay Round through our signing of the Final Act. As we place our signatures to the Final Act, we shall, in fact, be performing a truly historic function for the international community. It is the high degree and quality of international trade and commercial cooperation that yielded the final results of the Uruguay Round. These results are intended to ensure the continued economic growth and well-being of all peoples through further trade liberalization of a hitherto unprecedented magnitude and the strengthened set of rules and disciplines, which are embodied in the World Trade Organization (WTO). The WTO will oversee and guide the conduct of international trade and commercial relations into the 21st century.

When the GATT of 1947, which has successfully endured for more than 46 long years, reaches the higher stage of maturity into the WTO in 1995, the realization of its overall objectives and goals should transcend the totality of national interests of the individual member States. This is required to serve the much larger goal of ensuring higher standards of living and greater employment opportunities for all peoples through the recognized means of trade liberalization and the opening of markets worldwide on a non-discriminatory basis. Then and only then, will the WTO be able to deliver its results effectively and successfully for all to share harmoniously. A basic prerequisite for such an atmosphere will mean some understandable sacrifice in our national sovereignty in international trade and commercial matters, without which durable cooperation in this sphere will be difficult to achieve. Such sacrifices will be fully worth making for the singularly noble cause of providing greater well-being for all our peoples, particularly those in the developing countries like Sri Lanka.

GATT SECRETARIAT

In addition to signing the Final Act, we will be approving the Marrakesh Declaration and a host of Ministerial Decisions on a wide variety of areas where early action is needed. It is our fervent hope that these Ministerial Decisions will go a long way towards the implementation of the Uruguay Round Agreements. The establishment of an Implementation Committee with a view to ensuring the smooth transition from the GATT of 1947 to the WTO will be an extremely significant step towards the realization of the WTO and its overall objectives and goals. We will also be adopting the broad guidelines for a Work Programme for the WTO to ensure the compatibility, harmony and balance in international trade, environmental protection measures and sustainable development as the distinct contribution of the WTO to the mutually-supportive, reinforcing and symbiotic relationship between trade and environmental protection as an integral part of the goals of sustainable development.

Sri Lanka, as a small-developing trading nation, has fully appreciated the reality of changing global economic and trade structures. For us, international trade as the "engine of economic growth" is crucial for ensuring a balanced development of our economy and, through these means, the equitable distribution of income and wealth among our people. It is in this context that we, since 1977, have courageously embarked upon a policy of freeing the national economy of all its shackles and controls combined with the opening-up and liberalization of foreign trade. This process of overall economic and trade liberalization has gained greater momentum recently with the rationalization and significant lowering of our import tariffs, that are presently at 45 per cent, accompanied by a dismantling of all import and export licensing control and regulatory regimes, with the maintenance of only the bare minimum of such measures purely for national security, public health and moral considerations. This process of autonomous trade liberalization will be further expanded with the lowering of our import tariffs to a level of 35 per cent in the near future.

It is against this backdrop of freeing our economy and trade that we have participated in, and lent our fullest cooperation to, the Uruguay Round. Our participation in the Uruguay Round has been rightfully seen as being in keeping with our trade, development and finance needs as a small developing country. We have taken the bold step of fully integrating our national economy into the international grid of trade, finance and investment. In this process, our continuing commitment to the multilateral trading system, as enshrined in the WTO, will remain as solid and unwavering in the future as well. It is no exaggeration to say that we have undertaken all these bold liberalization measures in the midst of a painful structural adjustment programme. Mindful of all these hardships and difficulties entailed in such structural adjustment, we have contributed to the Uruguay Round in a realistic manner, while, at the same time losing substantial revenue for the national offers. In this connection, we continue to appreciate the goodwill and the consideration extended to us by the major trading partners, which no doubt, will enable us to sustain our irreversible commitment to trade liberalization and also to the multilateral trading system.

Today, as we are gathered here for signing the Final Act of the Uruguay Round and the WTO Agreement, it is with a deep sense of nostalgia that we recall our participation at the Geneva Conference in the Palais des Nations in 1947, as a founder member of the GATT, together with the other 22 nations. Ever since, we have continued to participate in the successive trade liberalization rounds launched under the auspices of the GATT in whatever manner we could. It is in this spirit of our long historical and traditional association with the GATT and its multilateral trading system, that we eagerly look forward to the formal entry into force of the WTO in 1995. Let me assure you that I will be strongly recommending to my Government the early ratification of the Final Act and the WTO Agreement. Our Government will also make every endeavour to ensure the passage of all enabling laws and regulations wherever deemed necessary in Sri Lanka for bringing them into full conformity with the appropriate Uruguay Round Agreements.

Before concluding my speech, I would urge through you that a concise compendium of actions required to be taken by developing countries, and indicating the time-limits within which they should

be taken, be prepared by the WTO Secretariat, with a view to assisting developing countries in their efforts at complying with the requirements of the Final Act.

May I conclude by reiterating that Sri Lanka, as a founder member of both the GATT and the WTO, looks forward with great enthusiasm to the very early formal establishment and functioning of the WTO and the full realization of its goals and objectives. By so doing, we will have created a vehicle truly capable of moving the entire gamut of international trade and commercial relations into the 21st century.