

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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EL SALVADOR

Statement by H.E. Mr. Miguel Angel Salaverria
Minister for Foreign Affairs

On behalf of the Government of El Salvador, may I thank His Majesty King Hassan II, His Government and the people of Morocco for the generosity and attention shown to our delegation.

I congratulate the countries that participated in the multilateral trade negotiations for the political determination that made the successful conclusion of the Uruguay Round possible. I would also like to express the gratitude of my country for the excellent work of the Director-General, Mr. Peter Sutherland, his predecessor, Mr. Arthur Dunkel, and the GATT Secretariat, and also to you, Mr. President, for your efficient running of this meeting.

El Salvador is proud to have participated in the negotiations and to have helped forge a more open, transparent and competitive world trading system.

Our country agrees with the distinguished speakers who preceded me that the conclusion of the Uruguay Round constitutes an important achievement for the expansion of trade and the growth of the world economy.

For El Salvador, the conclusion of the Uruguay Round has other implications, to which I would like briefly to refer.

During the process of acceding to GATT, which culminated in 1991, and in the course of the Uruguay Round negotiations, El Salvador was also immersed in negotiations of another kind: peace negotiations to put an end to the armed conflict that had been afflicting the country for more than 11 years.

There were difficult moments, but the important thing is that El Salvador did not hesitate to embark upon a profound process of economic liberalization to prepare the country for integration into the world economy. To that end, we began a programme of market-oriented economic reforms, with El Salvador's joining of GATT as a fundamental priority. Now El Salvador is not only at peace but also has one of the most liberal and transparent systems of trade regulations in the world.

Today we welcome the future World Trade Organization and the agreements that have shaped it. We are convinced that together they represent a significant contribution to free trade that will enable small countries like our own to have mechanisms and procedures that safeguard their rights and commercial interests.

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The WTO agreements are sufficiently broad to take into account the need for regional economic agreements but also recognize that without regulations covering the interests of all its members, trade blocs could be highly prejudicial to the development of non-member countries.

We are pleased that the future WTO will begin with a commitment to the gradual liberalization of trade in agricultural products and textiles and we welcome the fact that trade in services has been incorporated within a predictable framework that will be useful for the future development of that sector.

We would have preferred larger reductions in subsidies and greater improvements in the conditions of access to agricultural markets. Nevertheless, we consider that the results obtained constitute a good starting point for moving towards the establishment of a more equitable trade regime in the agricultural sector.

We believe that the tariffication commitment has clearly shown that there is in fact special and differential treatment in the trading of agricultural products, but that it favours the developed countries. Consequently, the elimination of this imbalance detrimental to the developing countries must constitute the main challenge facing the members of the WTO in future negotiation rounds.

It would be an illusion to think that our work was finished when we closed the negotiations of the Uruguay Round on 15 December. In actual fact, we only finalized one stage. Now we must focus on building an institution capable of taking effective action to implement the agreements reached. To that end, the WTO must, among other things, ensure that the agreement does not cause irreparable harm to those parties with the weakest economies. It must also guarantee that the preferential and differential treatment of the developing countries ceases to be merely a principle and shows concrete results.

We have reached a consensus that the WTO will address the relationship between trade and the environment. We hope that this topic will not be used to create hidden obstacles to trade. We also take the view that the remedies which one country employs to improve its ecological situation should not be arbitrarily required of others, because solutions must be in keeping with national realities, which are not always universal.

With regard to the discussion on the relationship between trade and labour rights, El Salvador is of the opinion that every democratic society needs just labour laws but that such laws must be in tune with the socio-economic situation of the country concerned and must be the result of a national consensus between government, labour and management.

El Salvador fears that the inclusion of this topic in the programme of work of the WTO might be used by developed countries as a new mechanism for administering protectionism.

I would like to reiterate that, irrespective of the commercial implications of this topic, El Salvador has modern labour legislation superior to that of many countries in the world. These are the words of the ILO, which cooperated in the formulation of our new labour code.

We are prepared to work to make the future World Trade Organization a faithful guardian of the agreements. It is for that reason that I am pleased to announce today that, subject to ratification by our Legislative Assembly, El Salvador approves the agreements, decisions and understandings arising from the Uruguay Round.