MULTILATERAL TRADE NEGOTIATIONS THE URUGUAY ROUND

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COSTA RICA

Statement by Mr. Roberto Rojas Minister for Economy and Trade

Multilateralism has today won a significant victory. Seven years have passed since the plans were drawn up in Punta del Este for the structure that we have finished building today, under the sure guidance of our Chairman. The Government of Costa Rica would like to express to him its sincere recognition and admiration for his tireless determination and clear political vision which have been decisive for the successful conclusion of the Uruguay Round.

Our Government also wishes to pay tribute to the GATT Secretariat for its efficiency, to all those, who have contributed to the success of the negotiations and, in particular, to the former Director-General, Mr. Arthur Dunkel, whose contribution is clearly recognizable in the final version of the agreements.

Costa Rica views the overall result of the negotiations with satisfaction. We are pleased that such sectors as agriculture and textiles have for the first time become the subject of multilateral trade rules, that major tariff reductions will be implemented in the industrial sector and that in the area of trade in services the participants have succeeded in establishing a legal framework and have made important specific liberalization commitments.

Such results, together with the major improvements in rules and disciplines, should lead to an increase in trade and hence stimulate the world economy. The understanding on the settlement of disputes introduces greater procedural flexibility and effectiveness and will no doubt make the system more credible.

The Government of Costa Rica welcomes the creation of the World Trade Organization (WTO) and reiterates its firm resolve to continue working within that framework to improve the multilateral trade system. We have approved the decision to establish the Preparatory Committee of the Organization and are confident that the joint work to be carried out within it will ensure a smooth transition between GATT 1947 and the WTO.

Notwithstanding the above, we share the concern of a considerable number of governments about the desire of some to include in the agenda of the new organization activities that pose a threat to the achievements of the Uruguay Round. It is disconcerting to see that protectionism is emerging once again, in a new guise, even before the agreements that have tried so hard to limit it are signed. The attempt to tie the opening-up of markets to labour conditions such as those prevailing in the United States is a matter of the most serious concern. For that reason, our Government would like to point out that even though the subject may be debated as another suggestion among the additional items for the WTO's agenda, it does not fall within the competence and functions of that body, and Costa Rica will therefore oppose its inclusion.

Our Government welcomes the establishment of a programme of work on trade and the environment in the WTO. Our traditional commitment to environmental protection and the promotion of sustainable development has led us to support the consideration of the relationship between trade and environmental measures. We agree that there should be no contradiction between the defence of an open, non-discriminatory and equitable multilateral trade system and measures to protect the environment, and it is with that in mind that we will participate in the work in that area. But at the same time we will be vigilant in our determination to prevent the expansion of the sphere of action of the WTO from being used to introduce new forms of trade protection. On the contrary, we hope that the new organization will constitute a solid basis for promoting stable trade relations between our countries.

I cannot conclude without expressing the gratitude of my Government to His Majesty King Hassan II, the Government of Morocco and the Moroccan people for the hospitality they have shown us and the excellent organization of this meeting.