

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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BRUNEI DARUSSALAM

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Revision

On behalf of my delegation, I wish to express my most profound gratitude to His Majesty King Hassan II and the Government of the Kingdom of Morocco for hosting this important meeting.

Similarly, I wish to associate myself with the previous speakers in congratulating the GATT Director-General, Mr. Peter Sutherland, for the work he and his staff have done in Geneva. I also want to take this opportunity to thank him and the GATT Secretariat for the technical assistance extended to Brunei Darussalam during the last few months, thereby making it possible for me to be here to take part in this historic occasion. I also wish to pay my tribute to Mr. Arthur Dunkel, the former Director-General for his invaluable contribution to the Round.

The package we arrived at on 15 December is the result of hard and often-protracted negotiations. While we can now congratulate ourselves for this substantial achievement, we must also acknowledge the many remaining challenges if we are to fulfil the hopes and aspirations of Punta del Este. The world was remarkably different at the launching of the Round in 1986. By the time the negotiations were concluded, the cold war was over and the world by-and-large had come to the conclusion that economic development should be given the highest priority.

This development, however, poses real challenges to all of us. How will we manage effectively and efficiently relations amongst nations that are less subjected to grand over-simplifications? How do we ensure that the new world that we try to establish is not threatened by the very same notion that has brought us to the brink of unhealthy confrontations and even wars? And more specifically, how can we prevent economic disagreements escalating into international tension, a phenomenon we are seeing more and more of today?

The agreements we have concluded, to some extent are important contributions to meeting those challenges. Brunei Darussalam welcomes the creation of the World Trade Organization, which will hopefully bring the international trading system closer to the one which we desire, that is to say, a system which is based on multilateral rules and principles. With the strengthened dispute settlement mechanism, I hope to see the end of unilateralism. I share the view that unilateralism neither contributes to the solidarity of trading partners nor provides real solutions to the dissatisfaction and complaints raised. A better and more enlightened approach should therefore be the strengthening of the multilateral tradition in resolving such problems.

Brunei Darussalam, belonging to a region which in the past decade saw a rapid economic transformation largely attributable to external trade, is convinced of the importance of international trade to economic development.

Brunei Darussalam made the political decision to join GATT, believing that in the long run, its economy will benefit from further world trade liberalization. On its part, Brunei Darussalam has proven its commitment to the international trading system by binding 95 per cent of its tariff lines. Furthermore, our commitment to be bound by the multilateral rules and disciplines contained in the various framework agreements are not by any measures small undertakings.

All these are not without difficulties and sacrifices. Therefore, apart from the need for further technical assistance which we look to the Secretariat to provide, I believe we are also entitled to share with others our thoughts on and expectations of the international trading system.

Firstly, as I have already stated, the strengthening of the multilateral trading system should be a continuous affair. I acknowledge the important contribution of regionalism to trade. However, we should also acknowledge that the global set of rules agreed upon in GATT and WTO must take precedence.

Secondly, we must continue to battle protectionism, in all its forms and guises. I am somewhat disturbed by the emerging trend towards more subtle and sophisticated forms of non-trade barriers. Brunei Darussalam and other developing countries are concerned over the proposed introduction of new criteria for international trade. If we are not careful, all the hard-fought concessions won in the negotiations could either be seriously impaired or nullified.

Brunei Darussalam shares the concern for the protection of the environment, but in so doing, even in the context of GATT and WTO, we must not forget that the basis for future work already exists in the Rio Declaration as well as Agenda 21. I therefore hope that with the establishment of a committee which will be tasked to undertake a study of this complicated subject, it will once and for all dismiss the illusion that protectionist measures promote the protection of the environment. Rather, free trade contributes to sustainable development.

In the light of other unfinished business of the Round, it would be unproductive at this juncture to make any attempt to force issues such as labour standards into the WTO agenda. In any case, there is a more appropriate forum outside GATT and WTO to better deal with the issue. We, therefore, fully associate ourselves with the position of the other developing countries in calling upon the proponent of this social clause to exercise restraint, or otherwise risk putting an unbearable burden onto the World Trade Organization even before it comes into being. Let us instead concentrate on building upon the agreements we are about to sign in the coming days.

It has been said that the ultimate objective of this exercise is to raise the standards of living of people all over the world. This is an admirable objective which we all share, but we do not see how the linking of trade to labour standards would do just that. If anything, the danger is clear that it may be used as a protectionist weapon aimed at depriving the developing countries of their legitimate right to economic development and hence improve the lot of their populace.

My third and final point has to do with the position of developing countries. The world media has often given the impression that the negotiations in the Uruguay Round were amongst a very exclusive number of countries. I wish to point out that the success of the Uruguay Round is equally attributable to the political will and courage of developing countries in making enormously difficult decisions.

Take for example the relatively new issues of trade-related aspects of intellectual property rights and services. If one were to trace the history of the negotiations, these issues were introduced primarily by the industrialized countries. However, the developing countries subsequently went along and eventually agreements were reached. To ensure that the outcome of this Round will be more equitable, I think it is only fair that the concerns of developing countries, in particular the least developed countries, be given due consideration. The notion of special and differential treatment is indeed central to this assertion.

To conclude, I would like to once again thank the Government and the people of the Kingdom of Morocco for the warm hospitality accorded to us, making our stay here not only so pleasant but also rewarding.