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EGYPT

Statement by H.E. Dr. Nabil Elaraby Ambassador, Permanent Representative

The CONTRACTING PARTIES meet this year at a rather crucial moment, a few weeks before the Trade Negotiations Committee meeting at ministerial level in Montreal, a major event in world trade which will focus on an evaluation of the mid-term review of the Uruguay Round.

It would not be appropriate for me to try and evaluate progress in the negotiations at this stage, for work is still going on in the Negotiating Groups, and the Group of Negotiations on Goods and the Group of Negotiations on Services will meet next week to finalize the process before Montreal.

This point has been emphasized by many speakers, but some reflection is needed. But I have asked for the floor to make a brief overview of the situation.

The Uruguay Round, unlike the previous Rounds, is more ambitious, more complicated and I would say will have a more far-reaching impact on the trading system than any other round in the past.

Egypt, like many other countries, has joined this Round with expectations that it would reinforce the system and make it more responsive to the development aspirations of the developing countries. We believe that the development dimension is of crucial importance and has to be recognized, given the proper place and assured all through the process of negotiations and in its final results.

On our part, we have embarked upon major steps, in the context of structural changes, to liberalize trade in the area of tariffs and non-tariff measures. These voluntary unilateral measures, together with other measures in the monetary and financial fields, were taken at a time of severe economic difficulties and a debt crisis never witnessed before, and certainly at high costs economically and socially.

It has to be underlined that Egypt is committed to the GATT system and to the objective of making it more strong and viable. We join also in the hopes that reaching successful results at the end of the Round will be attained, results which should produce concrete advantages and benefits for all countries.

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In this light, we view Montreal not merely as a forum to review and take stock of the progress achieved hitherto, but we hope that Montreal will provide an appropriate forum that could ensure that we continue on the right track in order to achieve the required results, even early results, but after all, most important, balanced results accruing benefits to all.

The pressure for achieving results in the so-called new areas, and at the same time the lack of meaningful solutions to the conventional areas, is creating unnecessary disequilibrium. The disequilibrium, thus far witnessed in progress between new and conventional areas, the imbalance between what could be the interest of some and the cost to others, is creating a real dilemma to the system - the dilemma developing countries are facing now.

The trading system, strained as it is, would be better off if not faced with such serious problems. The developing countries would participate more and contribute more if their problems were understood and if the development dimension became an integral part of the system.

Developing countries have accepted to negotiate within the Uruguay Round everything, including the new areas, and when the negotiations achieve agreed conclusions, they will implement them.

Montreal should give a clear message to the world that all countries are resolved to reinforce the rules of the trading system. It is important that this meeting should also send the message that the trading system will be supportive to the developing countries and will tackle the economic and financial crisis they are now facing.