

GENERAL AGREEMENT ON

TARIFFS AND TRADE

SR.45/ST/4
18 December 1989
Limited Distribution

CONTRACTING PARTIES
Forty-Fifth Session

Original: English

KOREA

Statement by H.E. Mr. Sang Ock Lee Ambassador, Permanent Representative

As we look back, 1989 has been another busy year for contracting parties. Apart from the normal GATT activities, they have been actively engaged in the intensive process of the Uruguay Round negotiations.

Although the Uruguay Round has made substantial progress during the past three years, there remain many important issues still to be resolved with only twelve months left before its time-limit. Also uneven progress among different negotiating areas has become increasingly evident. The negotiations between now and the winding up Ministerial meeting in Brussels in December 1990 will be an intensive process of bargaining to resolve the remaining thorny issues.

In these circumstances, my delegation believes that it is very important for all the participants to reaffirm and abide by the objectives and general principles we agreed upon in Punta del Este. It is true that we sometimes witnessed deviations from these objectives and negotiating principles in the name of progress. To complete the Uruguay Round within the agreed time-frame, we need progress. But, compromising on principles to meet the deadline is not a practice we can indulge in.

It is the view of my delegation that halting and reversing protectionism and strengthening the multilateral trading system based on the GATT are the two main objectives of the Uruguay Round.

In order to curb the protectionist trends, all the negotiating groups of the Round should be brought to a successful conclusion. To be specific, this objective concerns particularly the negotiating groups on traditional issues such as market access and rule-making.

Even though traditional areas have so far received less focus compared with other areas, we cannot deny that the results of those negotiations will be the essential parts of the overall package of the Uruguay Round.

Multilateral control on safeguards based on the m.f.n. principle and the integration of textiles trade into the GATT system are very important.

No less important is establishing strict disciplines and more objective criteria for anti-dumping measures in order to prevent arbitrary recourse to these measures and to deter such measures from being utilized as a trade policy option. Lack of disciplines on the use of anti-dumping measures will make the negotiations on safeguards and other market access areas meaningless.

When it comes to the objective of ensuring a multilateral trading system, it has been the consistent position of my delegation that the Uruguay Round should secure the widest possible participation and the balance of interests among all the participants in every negotiating group.

For instance, in dealing with the new issues, we must not forget that it is the first time we have ever attempted to establish multilateral rules to be applied to trade in services, intellectual property rights and international investments.

We have reason to be ambitious. But we should bear in mind that the results of the negotiations should be acceptable and applicable to as many participants as possible. Otherwise, a large number of contracting parties would simply stay away from the new rules to be established.

In agriculture, the interests of importing and exporting countries have to be equitably reflected in the final outcome of the negotiations.

For Korea, agriculture is the most sensitive subject among the fifteen negotiating areas of the Uruguay Round.

Agriculture has many special characteristics as a sector of national economy. It is closely related with such issues as food security, land exploitation, environmental protection and balanced development between rural and urban areas. Agricultural policies also have very strong political and social implications. All these factors make it unrealistic to deal with the agricultural trade only in terms of comparative advantage and market force.

Besides, structural adjustment in the agricultural sector takes a long period of time. Agricultural trade should be liberalized gradually and with due consideration to the socio-political impact in the countries concerned.

For these reasons, we firmly believe that the future régime of agricultural trade should take full account of the legitimate interests of food importing countries, economic and non-economic concerns and allow for sufficient time for structural adjustment.

The progress we have made in institutional issues such as the Trade Policy Review Mechanism and strengthened dispute settlement procedures has substantially enhanced the credibility of the Uruguay Round.

However, we cannot be too optimistic, for the issues to be dealt with during the remainder of the Round are the most difficult ones, having a direct bearing on the interests of each participant.

Despite these difficulties, if all the participants negotiate sincerely with the genuine will to be faithful to the objectives and principles of Punta del Este, we believe the prospect of the negotiations is not bleak. Korea, for its part, will continue to make contributions commensurate with its economic development for the success of the Round.