

GENERAL AGREEMENT ON

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POLAND

Statement by Dr. Janusz Kaczurba Deputy Minister of Foreign Economic Relations

Poland endorses the concluding document adopted at the Mid-Term Review meeting as forming a pragmatic basis for further negotiations.

We continue to consider that the full adherence by all countries to the standstill and rollback commitments is essential for reaching objectives embodied in the Punta del Este Declaration.

It is our hope that by the next session of the Trade Negotiations Committee, an agreement will be reached upon modalities for tariff cuts. In our view such modalities should provide the necessary transparency in the evaluation of tariff liberalization.

We consider an agreement upon long-term reform of international trade in agricultural products to be of paramount importance for the outcome of the whole Uruguay Round. Poland is firmly in favour of substantial changes in rules governing agricultural trade which will bring market forces into play in a more effective way, while barriers in access to markets and support measures which distort trade flows and prices ought to be eliminated over an agreed period of time. It is on the basis of these very objectives that our delegation will approach negotiating proposals which have already been put forward or which may be submitted in the near future to the Negotiating Group on Agriculture.

We take positive note of considerable progress in the work of the Group of Negotiations on Services.

Finally, may I also use this opportunity to express appreciation for measures taken by the European Economic Communities to liberalize quantitative restrictions on imports from Poland and to extend the Generalized System of Preferences scheme to goods originating in my country.

No GATT member, whatever its share and position in international trade, should confine itself to merely passing judgement on actions taken by others. The ultimate effect of the Uruguay Round will be the sum total of what each and every one of us can contribute to the give-and-take exercise.

By saying this I do not intend to preach any moral principles, but rather to describe and reconfirm the practical approach taken by Poland in her present economic and trade policies.

The ongoing developments in these areas are dramatic indeed. They spell out a rapid and irreversible erosion of those features of the economic system which -- rightly or wrongly -- used to be identified with the concept of State-trading as defined in Article XVII.

A competitive environment is being created through virtually unrestricted access to entrepreneurial activity, with tens of thousands of businesses established this year alone. This liberalization has been particularly striking in foreign trade-related activities which are open to all companies and individuals. A closer link is being forged between the domestic economy and the external trading environment due to the lifting of most price controls and the implementation of frequent and substantial devaluations.

A new tariff system based on the Harmonized System has been operational for one year now, in full conformity with GATT rules, including those of transparency, equitable treatment, non-discrimination and provisions of Part IV of the General Agreement.

The present negotiations with the IMF on an adjustment program are expected to be successfully completed before Christmas. The package includes such essential elements as full internal convertibility of foreign exchange, complete liberalization of imports and the dismantling of nearly all still-existing subsidy programs, including those in agriculture. The implementation of all these measures will be speeded up beginning next month.

Under such circumstances we believe that the time has come for us to normalize our status in the GATT by renegotiating the unique and outmoded terms of Poland's Protocol of Accession, with a view to adopting the normal commitments based on tariff concessions and the universal application of the General Agreement as well as the Codes of the Tokyo Round and the agreements which will emerge from the Uruguay Round.

Therefore, Poland intends to start a proper GATT procedure without any further delay. We are confident that in this endeavour we shall have the support and understanding of all contracting parties.

Such a forthcoming attitude would assist the "Solidarity"-led Government of Poland in its great efforts to build a liberal, efficient and open economy, well integrated into the multilateral trading system.