

# GENERAL AGREEMENT ON

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## TARIFFS AND TRADE

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### MOROCCO

#### Statement by H.E. Mr. El Ghali Benhima Ambassador, Permanent Representative

The Moroccan delegation endorses the analysis of the international economic situation reflected in the Chairman's opening statement. It is indeed essential to adopt appropriate measures in the macro-economic and micro-economic spheres in order to improve the trading environment.

The year now ending has been characterized by continuing and sizeable economic and financial imbalances at the international level. Nevertheless, the overall environment has provided a favourable setting for healthy economic developments as illustrated by a world growth rate that remains at an acceptable level, an increase in the volume of world trade in goods amounting to 7-8 per cent and greater stability of foreign exchange markets. However, the flourishing economic activity in the industrialized world and the ensuing upturn in prices for a great many raw materials have had only a limited impact on the developing countries, which continue to be affected, inter alia, by restrictive trade practices and the debt burden, aggravated by a rise in interest rates and the knock-on effects of the budgetary and foreign-trade imbalances in developed countries. These factors have been disruptive influences, this year as before, that have obstructed the lasting and balanced development of the developing countries.

Owing to the wide variety of its relations and trade with other countries, Morocco is clearly feeling the repercussions of the short-term fluctuations in the world economy that are so often unpredictable. It should be stressed that our efforts have never let up in the face of this situation: instead, we have faced up to it by developing our infrastructure, our industry and our agriculture. In the absence of an active private sector, the State had to take responsibility for a great many economic activities.

Today, the private sector has grown stronger. The Government has encouraged it to play a predominant rôle by allowing it to take over the management of part of the economy. In order to achieve this goal, Morocco has chosen a more liberal system that fits squarely with the rules and principles set out in the General Agreement: progressive elimination of quantitative restrictions, substantial reduction in protective tariffs, simplification of foreign trade procedures, increased foreign-exchange flexibility and greater decentralization and privatization.

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By choosing liberalism as its economic philosophy and the market as a means of ensuring efficiency, Morocco is above all striving to master the modern technologies that are indispensable for its economic and social development.

It is for this reason that we attach special importance to the GATT system, in order to give our exports the market they deserve and to vindicate our just demands.

In my delegation's view, there seems to be no other solution at present than to promote world trade more effectively, on the basis of a strengthened multilateral trading system rooted in the General Agreement. We are convinced that the multilateral approach that is at the foundation of the General Agreement serves the interests of all contracting parties, including the small trading nations.

My country continues to support the Uruguay Round, which offers a unique opportunity to reverse the prevailing adverse trends, and, consequently, to enhance GATT's credibility by restoring and increasing the system's integrity. This is why we welcome the early results achieved during the Mid-Term Review in the areas of dispute settlement and the functioning of the GATT system. We consider the dispute settlement system an essential element in providing security and predictability in the multilateral trading system; a unanimous commitment to strengthening it is therefore called for. The creation of the trade policy review mechanism will certainly confer greater coherence on trade policy and will reinforce GATT in its task of monitoring and supervising trade. Morocco places great hopes on the success of this mechanism. It has volunteered to undergo the review process next week in order to demonstrate, if there were any need to do so, its faith in the multilateral trading system by helping, in a practical way, to reinforce it.

Time constraints prevent me from reviewing and assessing the work of the various negotiating groups. I shall therefore simply point out that Morocco is particularly interested in everything being done in the Negotiating Group on Agriculture and the groups working on market access and on the new subjects. We also believe it important to reaffirm the linkage between monetary, financial and trade matters and the strategic importance of that link for developing countries such as my own.

We firmly hope that the final result will not only preserve our interests but also bring us some benefits.

We are twelve months away from the end of the negotiations, yet a vast amount of work remains to be done. Let us all rise to the new challenges of the end of the twentieth century, while of course ensuring the mutual advantages of all participants.