

MULTILATERAL TRADE NEGOTIATIONS (MTN)
CANADA-KOREA PERSPECTIVE

ISSUE

The Uruguay Round of multilateral trade negotiations is scheduled to conclude around the end of this year. The results will have a significant bearing on the environment for international trade in the decade ahead, particularly in terms of the continued liberalization of trade and growth of investment in the Pacific region. A key objective of the Round from the outset has been that of more fully incorporating the newly industrialized countries like Korea into the GATT.

BACKGROUND

The negotiations are now entering their final phase. The industrialized countries continue to articulate their commitments to substantial results across a broad range of issues, while key Less Developed Countries (LDCs) have indicated a greater appreciation of the importance of a successful result to their own long-term interests. However, at this point, progress has been mixed, with substantial differences in a number of key areas, including agriculture, reform of certain international "trade rules", (anti-dumping to protect domestic industries from unfair pricing, as well as subsidies and countervail), and the "new issues" of trade in services and improved protection for intellectual property.

Nevertheless, a considerable amount of work has been done and a substantial result is still feasible. At the London Summit, leaders reaffirmed that a successful conclusion of the Round is the highest priority on the international economic agenda and called for a "global, ambitious and balanced" result.

Negotiations have now entered the intensive phase (deal-making), in which it has become necessary to examine trade-offs across a broader range of issues in order to achieve progress in the most difficult areas.

A comprehensive final package will need to address the interests of developing countries in a number of areas. This would include improved access to developed country markets for, among other things, textiles and clothing. LDCs will also be looking to improved disciplines over the application of safeguards and countervail measures. In turn, the industrialized nations are looking for concessions from the LDCs in such areas as improved market access, strengthened protection for intellectual property rights, support for a multilateral agreement on trade in services and improved disciplines over LDC restrictions on imports for balance-of-payments purposes.