

THIS HAS NOT BEEN AN EASY TASK. THE UNITED STATES AND THE EUROPEAN COMMUNITY HAVE HAD QUITE DIFFERENT APPROACHES ON THE ISSUES INVOLVED. UNTIL RECENTLY THERE WAS LITTLE EVIDENCE THAT EITHER WAS PREPARED TO MAKE THE CONCESSIONS NECESSARY FOR A FRAMEWORK FOR NEGOTIATIONS. I BELIEVE THAT THOSE EFFORTS ARE NOW UNDERWAY, HELPED SIGNIFICANTLY BY THE INNOVATIVE APPROACH OF THE CAIRNS GROUP. THIS DEVELOPMENT IS MOST IMPORTANT, AS AGREEMENT IN THIS AREA COULD WELL DETERMINE THE FUTURE OF THE URUGUAY ROUND OF MULTILATERAL TRADE NEGOTIATIONS.

LAST DECEMBER, I HOSTED THE MID-TERM REVIEW MEETING OF THE URUGUAY ROUND IN MONTREAL. ALL COUNTRIES CAME TO THE MEETING WITH GREAT EXPECTATIONS. THERE WERE SIGNIFICANT ACHIEVEMENTS. IN FACT, AGREEMENTS WERE REACHED IN ELEVEN OF THE FIFTEEN AREAS UNDER DISCUSSION. HOWEVER, THE LACK OF CONSENSUS ON FOUR ISSUES, ESPECIALLY AGRICULTURE, WAS DISAPPOINTING.

THE NEXT STEP IN THIS PROCESS IS A MEETING OF THE TRADE NEGOTIATIONS COMMITTEE IN GENEVA IN EARLY APRIL. WE DECIDED IN WAITANGI TO SEND A STRONG MESSAGE TO THE EUROPEAN COMMUNITY AND THE AMERICANS, SETTING OUT WHAT THE CAIRNS GROUP SEES AS NECESSARY BEFORE WE CAN BE SATISFIED THAT OUR INTERESTS IN REFORMING WORLD AGRICULTURAL TRADE ARE BEING MET. ONE OF OUR KEY REQUIREMENTS IS THAT A FRAMEWORK FOR LONG TERM REFORM BE ESTABLISHED, AIMED AT SUBSTANTIAL, PROGRESSIVE AND SUSTAINED REDUCTIONS IN AGRICULTURAL SUPPORT AND PROTECTION.

WE HAVE HAD SOME INDICATIONS OF FLEXIBILITY ON THE PART OF THE UNITED STATES: HOWEVER, THE EUROPEAN COMMUNITY HAS GIVEN NO CLEAR SIGNAL THAT IT IS READY TO COMMIT ITSELF TO COMPREHENSIVE LONG TERM AGRICULTURAL REFORM. WE WILL BE PRESSING THE EC, IN PARTICULAR, TO MODIFY ITS NEGOTIATING POSITION IN A WAY THAT CONTRIBUTES CONSTRUCTIVELY TO THE REFORM PROCESS. THE CAIRNS GROUP IS STRONGLY COMMITTED TO ACHIEVING POSITIVE RESULTS ON AGRICULTURE AT THE APRIL TNC MEETING. FAILURE TO DO SO WOULD SERIOUSLY JEOPARDIZE THE OVERALL PROSPECTS FOR THE URUGUAY ROUND.