

MULTILATERAL TRADE NEGOTIATIONS

The General Agreement on Tariffs and Trade (GATT) is a multilateral treaty to which 93 governments have adhered so far. It came into force on 1 January 1948 with the aim of promoting trade liberalization through the reduction of tariffs and other barriers to trade. The GATT is both a code of rules and a forum in which countries can discuss and overcome their trade problems and negotiate to enlarge world trading opportunities.

Seven rounds of negotiations, a term used to describe periodic trade liberalization conferences, have taken place under GATT auspices since 1948. The Tokyo Round was the latest series of negotiations. It began in 1973 and by 1979 had established a number of important international agreements designed significantly to reduce tariffs and to bring greater discipline to the use of non-tariff barriers such as import licensing, government subsidization practices, technical standards and government purchasing policies which favour domestic producers.

Ministers of the GATT Contracting Parties, including Canada's Secretary of State for External Affairs, Joe Clark, met at Punta del Este, a small coastal town in Uruguay, this past September. They launched a new round of Multilateral Trade Negotiations (MTN). It will establish the rules of the road for global trade into the 21st century.

The MTN represents both a challenge and an opportunity for Canada to find forward-looking solutions to the current and emerging problems facing the international trading community. Canada approaches the Uruguay Round with a sense of urgency, determined to fight protectionist threats, to enhance the rule of law in international trade and to restore the momentum towards further trade liberalization.

The Ministerial Declaration is important and contains much of interest to Canadians. Among other things, it:

- greatly strengthens the non-traditional standstill and rollback commitment not only by detailed specification but, more importantly,