

April 1988

THE TORONTO ECONOMIC SUMMIT
2. MULTILATERAL TRADE NEGOTIATIONS

The issues of protectionism and world trade liberalization have been prominent at all Summits. In the late 1970s, leaders gave support and impetus to the Tokyo Round of the Multilateral Trade Negotiations (MTNs), which was successfully concluded in 1979. Following a commitment at the 1986 Tokyo Summit, the Ministers of the GATT Contracting Parties, including Canada's Secretary of State for External Affairs, Joe Clark, met at Punta del Este, Uruguay, in September of that year, to launch a new round of Multilateral Trade Negotiations. The negotiations of the Uruguay Round will be the largest and most ambitious yet undertaken, intended to establish the blueprint for international trade relations until the end of this century and beyond.

The MTNs represent both a challenge and an opportunity for Canada to help identify forward-looking solutions to the current and emerging problems facing the international trading system. 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 at Punta del Este demonstrated the participating countries' commitment to the process and outlined the challenging negotiating agenda. The Declaration:

- greatly strengthens the commitment to stop the introduction of new protectionist measures and promote policies which will remove barriers to trade (standstill and rollback);
- includes for the first time specific objectives for across-the-board negotiations on agriculture, which embrace not only improved market access but the application of multilateral disciplines to the use of all direct and indirect subsidies and other measures which distort trade;
- aims to reduce or eliminate tariff and non-tariff barriers, in order to improve market access conditions;
- includes "new issues" such as trade in services, intellectual property, trade-related investment measures;
- specifies a series of institution-building and rule-making measures to reinforce and extend the mandate of the GATT.

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