is smelting or heres is smelting or meters of its receipt to decision of the Department of Trade and Industrial more decisions. Covering CONFIDENTIAL Christopher Roberts CB Deputy Secretary R Q Braithwaite Esq CMG Foreign and Commonwealth Office Does this had of? Whitehall London SW1 Switchboard 01-215 7877 Telex 8811074/5 DTHQ G Fax 01-222 2629 Direct line 215 5285 Our ref Your ref NCU Date 26 May 1988 Dear Rodric. SUMMIT COMMUNIQUE: LANGUAGE ON TRADE POLICY Thank you for your letter of 25 May asking for draft language, for inclusion in the communique, on the non-agriculture trade issues. I attach a text which I think you have already seen and which, as Tom Richardson knows, has been cleared by my Secretary of State. We will also be providing you and the other members of the UK Sherpa team with a commentary on this text explaining the inwardness of particular passages. Paragraph 3, as you will see, is an attempt to give a push to the achievement of some positive results at Montreal on some of the specific GATT Round issues, without using the provocative phrase "interim results" or challenging head on the concept of globalite. I have every confidence in your ability to achieve the best possible results in this area. I am sending copies of this letter and of the enclosure to Geoffrey Littler at the Treasury and Nigel Wicks at 10 Downing Street.

CONFIDENTIAL

SUMMIT COMMUNIQUE: LANGUAGE ON TRADE POLICY

We reaffirm our commitment to maintaining and extending the open multilateral trading system as an essential foundation for world economic growth and as a defence against protectionism.

Sustained progress in the Uruguay Round leading to a full and comprehensive outcome of benefit to both developed and developing countries is therefore of paramount importance. For this to be achieved all Contracting Parties must be ready to make the fullest contribution to the negotiations and be prepared to accept levels of obligation consistent with their degree of economic development.

- We recognise that the Mid Term Meeting to be held in Montreal in December offers a valuable opportunity to demonstrate that substantive progress can be made in all areas of the Round including those to which we gave special emphasis at our previous meeting in Tokyo, namely trade in services, intellectual property rights and foreign direct investment. In these areas, as well as others, the establishment at an early date of an agreed negotiating framework would represent a significant step towards a successful conclusion.
- We also share the hope that as full use as possible will be made at the Mid Term Meeting of the provision in the Punta del Este Declaration permitting the implementation of agreements reached at an early stage in the negotiations. In this context, a high priority must be the strengthening of Gatt itself. We are determined to work for the earliest possible agreement on ways of

reinforcing the Gatt process, through the greater involvement of Ministers, the intensification of the surveillance of trade policies and the greater effectiveness of dispute settlement procedures so that disagreements can be resolved speedily, conclusively and fairly.

We affirm that the countries participating in this meeting in making their contributions to the preparation for Montreal will be guided by these objectives.

TEDABI

