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MOTION FOR A RESOLUTION

further to the Commission statement

pursuant to Rule 37(2) of the Rules of Procedure

by Monica Frassoni, Caroline Lucas, Paul A.A.J.G. Lannoye, Jillian Evans, Jan Dhaene, Danielle Auroi and Didier Rod

on behalf of the Verts/ALE Group

on preparations for the 5th World Trade Organisation Ministerial Conference (Cancun, Mexico, 10-14 September 2003)

European Parliament resolution on preparations for the 5th World Trade Organisation Ministerial Conference (Cancun, Mexico, 10-14 September 2003)

The European Parliament,

- having regard to the forthcoming 5th Ministerial Conference to be held in Cancun, Mexico on 10-14 September 2003,
 - having regard to the outcome of the 4th WTO Ministerial Conference held in Doha in November 2001,
 - having regard to its resolution of 25 October 2001 on openness and democracy in international trade,
 - having regard to the Parliamentary Conference on the WTO held in Geneva on 17 and 18 February 2003 co-organised by Parliament and the Inter-Parliamentary Union,
 - having regard to its most recent resolutions, adopted on 12 March 2003, on the General Agreement on Trade in Services (GATS) within the WTO, including cultural diversity,¹ the authorisation of generic medicines at WTO level² and the WTO agricultural trade negotiations,³
 - having regard to the public hearings conducted jointly by its Committee on Industry, External Trade, Research and Energy and its Committee on Development and Cooperation committees on 21 May and 11 June 2003,
- A. whereas the negotiations mandated by the Doha Ministerial Declaration are almost all behind schedule, with significant deadlines being missed in all the key areas; whereas the failure to meet deadlines on Special and Differential Treatment and the negotiating modalities in agriculture has been particularly damaging,
- B. whereas the heavy emphasis placed on the development dimension of the trade talks, much promoted by the WTO as being the key success of Doha, is now demonstrated to be a hollow promise, with little or no progress being made on any of the issues of direct concern to developing countries,
- C. whereas the most recent mini-ministerial meeting held in Sharm-el-Sheikh, Egypt, appears not to have made any substantive progress on overcoming the obstacles to these negotiations,
- D. whereas no solution has yet been found to the difficulties in making effective use of

¹ (P5_TA-PROV(2003)0087)

² (P5_TA-PROV(2003)0052)

³ (P5_TA-PROV(2003)0053)

compulsory licensing facing WTO members with ‘insufficient or no manufacturing capacities in the pharmaceutical sector’, as required by paragraph 6 of the Doha Declaration on TRIPs and Public Health,

- E. whereas negotiations within the EU on the mid-term review and reform of the Common Agriculture Policy are also deadlocked,
- F. whereas the Cancun Ministerial Conference is required, inter alia, to decide whether or not to proceed with negotiations on each of the so-called Singapore issues of investment, competition, transparency in government procurement and trade facilitation,
- G. whereas there is a growing consensus among a large number of developing countries (most recently expressed in Mauritius by the African Union and in Geneva by a bloc consisting of Argentina, Bolivia, Botswana, Brazil, Chile, China, Colombia, Cuba, the Dominican Republic, Ecuador, El Salvador, Gabon, Guatemala, Honduras, India, Malaysia, Mexico, Morocco, Nicaragua, Pakistan, Paraguay, Peru, South Africa, Thailand, Uruguay, Venezuela and Zimbabwe) against agreement to commence negotiations on the Singapore issues in Cancun, there being a common view that that these require further analysis and clarification,

Overview

1. Expresses its deep concern that the negotiating process in Geneva on the Doha mandate appears to be stalled, with deadlines being missed in almost all areas, particularly those with relevance to development;
2. Considers therefore that the agenda of decisions to be made by Ministers in Cancun will be heavily overloaded, making further progress difficult;
3. Urges the Commission therefore to reduce its demands and to concentrate on the core agenda of development issues and progress on the agricultural negotiations;
4. Notes that the considerable discontent amongst developing countries at the undemocratic and manipulative way in which the 4th Ministerial was conducted in Doha still persists in Geneva; invites the Commission to help ensure that the negotiations prior to, and in, Cancun are inclusive, transparent and conducted with the highest level of fairness and respect for all parties;
5. Asks that the process of permanent reform of the WTO procedures, which was widely discussed after the failure of the Seattle Ministerial and has been the subject of unanswered representations by many members in Geneva, be put back on the Ministerial agenda and that a Committee for Reform of Working Practices be created to commence work immediately after Cancun;
6. Calls on the government of Mexico, as the host nation, to support the civil society organisations that will be present in Cancun and to help ensure that any protests are conducted peacefully and without provocation by the security authorities;

7. Expresses its dissatisfaction that the draft Constitutional Treaty of the EU does not provide for any formal involvement of the European Parliament in the opening of trade negotiations; considers that such parliamentary scrutiny should be indispensable in an era of increasing public concern over globalisation;
8. Recognises that trade policy now touches heavily upon social, environmental, consumer and developmental issues as well as economic ones and underlines that the WTO should not have primary competence in these areas of public policy;

TRIPS

9. Notes with dismay the continued blocking of progress by the US on finding a solution to paragraph 6 of the Doha Declaration on TRIPs and Public Health for WTO members with insufficient or no manufacturing capacities in the pharmaceutical sector; considers that recent moves by the US Trade Representative to pressurise certain developing countries into renouncing their rights to import generic medicines will make the issue even more difficult to resolve;
10. Calls, as a matter of urgency, for a solution to this issue be found which does not limit the ability of WTO members to protect their public health; reminds the Commission that to impose new constraints limiting either the categories of public health problems or the categories of countries to which the compulsory import licence mechanism applies would violate the spirit of the Doha Declaration and be justifiably seen by developing countries as evidence of bad faith;
11. Points out that, similarly, any move to quantify and arbitrate on the sufficiency or insufficiency of local manufacturing capacity would be an unacceptable means of restricting the application the TRIPs provisions;
12. Reminds the Commission of paragraph 13 of its March resolution on this subject calling for a broader discussion, under the auspices of the World Health Organisation, on how the TRIPs Agreement affects the availability of affordable generic medicines;
13. Believes that an extension of the scope of Geographical Indications to protect quality foodstuffs from the regions of the EU will contribute greatly to rural development, and urges the Commission to continue to press hard for the establishment of a system of notification and registration of such products in addition to that for wines and spirits;
14. Recalls that the WTO is a rules-based organisation; calls therefore for immediate implementation of the review clause in Article 27.3b, which was due to be completed in 1999 but has been persistently blocked;
15. Supports the recent call by the Africa Group for the TRIPS Agreement to be amended to prohibit patents on all life forms, as such patents are contrary to the moral and cultural norms of many societies, and to make clear that the requirement to protect plant varieties should not in any way undermine, but rather should support, members' rights to public policy goals such as food security and poverty elimination. Considers that pressure to adopt inappropriate intellectual property regimes for plant varieties protection is

unjustifiable;

16. Continues to be concerned at the problem of bio-piracy, and recalls that paragraph 19 of the Doha Ministerial Declaration required the TRIPS Council to examine clarification of the relationship between the TRIPS Agreement and the Convention on Biological Diversity, the protection of traditional knowledge and folklore, taking full account of the development dimension;
17. Supports, therefore, the call by those biodiversity-rich developing countries for patent applicants for inventions using biological resources and traditional knowledge to disclose the source of origin of such resources and knowledge, as well as providing evidence that they have obtained the necessary prior informed consent (PIC) and complied with national laws on benefit sharing;

Agriculture

18. Restates its conclusion that to deliver a real 'Doha Development Agenda', the first priority of the agricultural negotiations must be to create trade rules which promote agricultural development and employment, and support the fight against poverty in developing and least developed countries, without endangering the fundamental objectives of the European Union's multifunctional agricultural policy;
19. Calls upon the Commission, therefore, to insist on the inclusion of non-trade concerns in the negotiation modalities, including employment as part of rural development, the objectives of preventive consumer protection and mandatory labelling, protection of the environment, public health and animal welfare; without agreement on full integration of these concerns in the modalities on agriculture no further move for access to European markets should be made;
20. Also stresses the fact that further market access to the EU feed and food markets does not automatically mean improved income for developing countries and their populations most in need; points out that multinational agri-businesses often use developing countries as bases for the production and re-export of food and feed, often at dumping prices and without respecting environmental and food safety standards;
21. Takes the view that a form of 'qualified external protection' should therefore apply anti-dumping criteria which include food quality, environmental, social, animal welfare and biodiversity aspects and establish process controls throughout the agricultural and food processing chains. Levies thus collected should be re-transferred to those developing countries which need support in reaching these standards;
22. Believes that consumers, including farmers, must have the right to know how foodstuff and animal feed have been produced and that labelling is particularly important in this regard;
23. Considers that WTO rules must not therefore unreasonably limit provisions for voluntary or obligatory labelling systems; believes that the public is increasingly concerned about, for example, the ethical implications of production methods, the protection of animal

welfare and the effects of production on climate change and energy use, and that these should be taken on board in the negotiations;

‘Singapore’ issues

24. Understands that the decision to be taken in Cancun as regards each of the four ‘Singapore’ issues requires explicit consensus; notes that many developing countries and groupings have made public statements opposed to expanding the WTO mandate into these areas and further notes that certain EU countries are concerned that pressing forward on these issues would have a disruptive impact on the Cancun agenda;
25. Considers that in view of this continued opposition it is difficult to envisage agreement by explicit consensus and that these issues should therefore be remitted to the respective WTO committees for further consideration;

Trade and environment

26. Believes that WTO rules and decisions must support, and not interfere with, the objectives and effectiveness of Multilateral Environmental Agreements (MEAs); considers that paragraph 31(i) of the Doha Ministerial Declaration, which mandates one-sided negotiations on the WTO-MEA relationship as regards trade obligations, is inappropriate; calls therefore for the establishment of an inter-agency body to discuss this issue outside the WTO, preferably under the auspices of the UN, which is a more appropriate forum in which to address all three pillars of sustainable development in a balanced fashion;
27. Considers that this inter-agency body should be mandated to examine: the safeguarding of environmental sustainability; the application of the precautionary principle; the protection of MEAs from unwarranted challenge within the WTO; a closer relationship between the WTO and international environmental bodies, notably UNEP; the strengthening of the MEAs and their own dispute settlement mechanisms; the treatment of Process and Production Methods (PPMs) by the WTO rules; the burden of proof on environmental and public safety matters;

Fisheries

28. Recognises the importance of reducing environmentally damaging fisheries subsidies, such as those that lead to over-capacity of the fleets or capacity for export to developing countries, and welcomes in consequence the recent changes to the FIFG (Financial Instrument for Fisheries Guidance) adopted as part of the reform of the Common Fisheries Policy; considers, however, that negotiations in the WTO must be limited to trade-distorting subsidies and be held in close collaboration with bodies specialising in fisheries, particularly the FAO and the regional fisheries management organisations;

GATS

29. While noting that negotiations on the initial offers under the GATS negotiations are ongoing and not intended to be the subject of decisions in Cancun, calls nonetheless for substantive agreement to initiate the full assessment of trade in services, which is provided

for in Article XIX of the GATS but not yet activated;

30. Instructs its President to forward this resolution to the Council, the Commission, the parliaments of the Member States and the government of Mexico.