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B5-0113/2003

## **MOTION FOR A RESOLUTION**

further to the Commission statement

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

by Sergio Berlato, Liam Hyland and Luís Queiró

on behalf of the UEN Group

on the WTO negotiations on agricultural trade

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#### B5-0113/2003

### European Parliament resolution on the WTO negotiations on agricultural trade

#### The European Parliament,

- having regard to having regard to Article 20 of the WTO Agreement on Agriculture, signed in Marrakech,
- having regard to its resolutions of 13 March 2001, on the recommendations of the European Parliament to the Commission on the WTO negotiations, of 25 October 2001, on the Fourth Ministerial Conference of the WTO and of 13 December 2001 on the WTO meeting in Qatar,
- having regard to the Commission proposal for modalities in the WTO agriculture negotiations within the WTO adopted by the General Affairs Council on 27 January 2003,
- A. whereas the European Union is the prime net world importer of agricultural products and also the prime world importer of agricultural products from developing countries,
- B. whereas, with regard to its market opening policy, the European Union grants the highest level of preferential access of all industrialised countries to developing countries,
- C. whereas the European Community has unilaterally reduced the duties applied to the poorer countries with its 'Everything But Arms' initiative, allowing these countries duty-and quota-free access to the EU market,
- D. whereas the European Community applies 87 tariff quotas, opened in the wake of the Uruguay Round, and whereas these do not concern the least developed countries because of preferential schemes and initiatives such as 'Everything but Arms',
- E. whereas the European Community has reduced and intends to reduce substantially the level of its export subsidies, thereby honouring the commitments made in the Uruguay Round,
- F. whereas the export of agricultural surpluses other than food aid may also have a negative impact on the crops required for food security in developing countries,
- G. whereas the long-term fall in commodity prices is chiefly due to decreasing transport expenditure, increasing productivity and surplus world production, and not to subsidies,
- H. whereas most countries in the world support their agricultural sector internally; whereas agriculture and rural development substantially curb depopulation and the flight from the land in disadvantaged rural areas,

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- I. whereas increasing importance is attached to food security, the protection of the environment and the quality of produce; whereas food security is a structural problem common to many developing countries, caused more by poverty and lack of resources than by unfair commercial practices,
- 1. Considers that the concept of a European agriculture should be explicitly enhanced and defended for its social, economic and cultural value, while recognising the specific features of the agricultural sector in some EU Member States;
- 2. Stresses the need to safeguard the European agricultural model in the negotiating round, in order to maintain the stability of national agricultural markets and protect them from international price fluctuations, and to uphold the models of production and of land use which are typical features of European agriculture;
- 3. Maintains that agricultural markets have their own specific features and considers the regulatory role of countries in governing and regulating those markets to be vital;
- 4. Believes that the European Community should support, in the context of the WTO negotiations, the right of peoples and nations to safeguard their food autonomy and the survival of the rural world, in particular by being able to protect themselves from dependency-creating imports;
- 5. Maintains that agricultural products and processed food products should be treated on an equal basis; the three fundamental areas of the WTO negotiations on agriculture market access, export subsidies and domestic support must be considered in relation to one another, in accordance with a general principle of consistency;
- 6. Considers that the European Community can negotiate in the WTO a reduction in import customs duties, export subsidies and domestic agricultural support which creates distortions in trade, provided that this is done by a fair burden sharing among all developed countries;
- 7. Reaffirms the continuing importance of the Community preference principle as enshrined in the Treaties and more specifically with a view to ensuring that:
  - the European Union is not obliged to open its markets to products of which it has a sufficient supply,
  - the European Union is entitled to maintain or create access restrictions to its market with regard to products which it lacks, so as to facilitate the production of such products,
  - the European Union is entitled to prohibit the import of products to protect consumer health or the environment in accordance with criteria and standards established by the EU itself;
- 8. Urges the Commission to ask the United States to state its intentions with regard to food aid and export credit;

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- 9. Considers it essential that the substance of Article 20 of the Marrakech Agreement on Agriculture be strengthened and that the non-trade aspects of the new multilateral agricultural framework be expressly recognised, in particular the multifunctional role of agriculture with regard to the environment, rural development, food security, consumer protection, labelling and animal welfare;
- 10. Acknowledges the importance of creating a 'food security box' to enable developing countries to reduce and slow down the liberalisation of their markets, to protect their vulnerable foodstuffs and to support their agricultural sectors in a more flexible manner with a view to food security;
- 11. Believes that the approach taken with regard to the trade liberalisation objectives should nevertheless be based on caution and progressiveness; the various factors which make up the final price of products must have the time and opportunity to become harmonised at world level;
- 12. Stresses that the Commission should insist at the WTO that all developed countries and countries at an advanced stage of development should implement duty- and quota-free import measures for agricultural products from less developed countries in the forms already proposed in the 'Everything but Arms' initiative;
- 13. Considers it essential that market stability as regards domestic access be safeguarded and takes the view that any new import concessions must take account of the considerable sensitivity of Community products and the relevant levels of production;
- 14. Believes that a set of standards and rules needs to be drawn up with a view to increasing transparency, reliability and security in the management of tariff quotas;
- 15. Takes the view that the reduction in export subsidies should nonetheless be negotiated with the other industrialised countries and that it should not be applied unilaterally; in this regard it is worth remembering that often measures which were designed to help the least developed countries have ultimately benefited a number of those industrialised countries which implement unscrupulous trade policies;
- 16. Considers that the WTO should guarantee that the volume of food aid will not be reduced when product prices are high and, at the same time, should ban recipient countries from re-exporting food aid;
- 17. Believes that the recent decision by the European Council to establish a ceiling for EU expenditure over the next ten years is a strong signal that the internal support which is a source of trade distortion is being reduced; following enlargement, in fact, the same overall payments will be distributed among more farmers across a wider agricultural area; notes in this regard that with their recent 'US Farm Bill', the United States have increased agricultural expenditure by some 70%;
- Urges the Commission to negotiate a revision of the 'de minimis' clause of which several WTO members all too often take undue advantage, thereby causing distortions in the support of trade in agricultural products;

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- 19. Considers it essential that the WTO clearly define certain aspects concerning the rules on product origin and labelling; a definitive agreement on the trade-related aspects of intellectual property provided for under the TRIPS agreement is of paramount importance for the protection of the European food industry; in this regard, PDOs and PGIs should be specifically recognised, by establishing legal protection which should also include pecuniary penalties;
- 20. Takes the view that consumers should be entitled to know how food and other products are produced and that labelling is of particular importance in this regard; believes that the WTO rules should not restrict provisions concerning voluntary or compulsory labelling systems;
- 21. Welcomes the Commission's commitment to defending the exemption of payments concerning environmental and animal health programmes;
- 22. Instructs its President to forward this resolution to the Commission, the Council and the WTO.