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MOTION FOR A RESOLUTION

further to the Commission statement

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

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on behalf of the PSE Group

on the WTO agricultural trade negotiations

European Parliament resolution on the WTO agricultural trade negotiations

The European Parliament,

- having regard to the WTO Ministerial Declaration made in Doha in December 2001,
 - having regard to its resolutions B5-0819/2001 on the WTO meeting in Qatar and B5-0054/2003 on world hunger and the elimination of barriers to trade with the poorest countries,
- A. whereas all WTO members must submit proposals to the WTO by 31 March 2003 on the ‘modalities’ of the agricultural trade negotiations,
- B. whereas these modalities should set targets, including numerical targets, for tariff and subsidy reductions and should define special provisions for developing countries,
1. Considers that the current WTO negotiations on agricultural trade rules could be decisive in determining the success or failure of the Doha trade round as a whole;
 2. Recalls the interests of European producers and consumers in high food quality, rural development, environmental protection and animal welfare, and insists that agricultural trade rules must be consistent with these objectives;
 3. Notes that agriculture continues to be the principal source of income and employment in most developing countries, and that reform of agricultural trade rules has a major part to play in the fight against poverty, improvement of food security worldwide and wider distribution of the benefits of trade;
 4. Recalls that all WTO members committed themselves at the WTO summit in Doha in November 2001 to agricultural negotiations aimed at:
 - Substantial improvements in market access;
 - Reductions in all forms of export subsidies, with a view to their phasing out;
 - Substantial reductions in trade-distorting domestic support;
 - Special and differential treatment for developing countries, to take account of their development needs, including food security and rural development;
 - Taking account of non-trade concerns;
 5. Insists that, to make the Doha Round a Development Round in reality as well as rhetoric, the first priority of the agricultural negotiations must be to create trade rules which promote agricultural development, employment and the fight against poverty in developing and least developed countries, without endangering the fundamental objectives of the European Union’s multifunctional agricultural policy, and that to that end the EU must insist on three indispensable objectives:

- 1) a better deal for agriculture in developing and least developed countries;
 - 2) strengthening the provisions for targeted support for agriculture in order to ensure the conditions for a smooth transition of European agriculture towards a model in which public support is focused on rural development, high food quality, preservation of the rural way of life, environmental protection and animal welfare;
 - 3) maintenance of a margin of manoeuvre sufficient to permit the support and regulation of the markets, accompanied by recognition of non-trade aspects in WTO rules;
6. Measured against those objectives, finds the Commission's December 2002 proposal lacking in ambition and calls for a revised proposal, including:
- A bigger and earlier reduction in all agricultural tariffs and quantitative restrictions on agricultural imports from developing and least developed countries; the substantial reduction with a view to the eventual elimination, by all WTO Members, of all forms of export subsidy and schemes having an equivalent effect, including aspects of export credit, credit guarantee, loan and insurance schemes and food aid;
 - Insistence on the importance of non-trade aspects of agricultural policy, through strengthening and clarification of the 'Green Box' of non-trade distorting agricultural support measures, to ensure the EU's ability to provide support for environmental, social, rural development and animal welfare objectives;
 - A gradual shift from 'Blue Box' support (trade-distorting measures linked to limitations on production) to the enhanced 'Green Box' support;
 - A proposal for sectoral initiatives, to allow members to negotiate further reform commitments on a sector-by-sector basis.
7. Considers that the submission should propose special and differential provisions allowing all WTO members to expand market access further and faster in respect of agricultural produce from developing and least developed countries than in respect of produce from developed countries, and allowing developing and least developed countries the flexibility they need, in respect of market access and domestic support commitments, in the interests of their development and food security needs;
8. Insists on the need to achieve progress in the parallel discussions on Indications of Geographical Origin, in order to facilitate the preservation of some traditional methods of cultivation, and also to enable a shift by farmers in Europe and other highly developed regions towards specialist, high-value-added production;
9. Considers that the Commission's CAP reform proposals, published in January 2003, do not go far enough in targeting subsidy on the promotion of environmental, health and rural development objectives; that the continuation of subsidies to large farms, in particular, advances no public policy objective and will distort trade; considers also that, for the success of the Doha trade round, reform must be more thoroughgoing and more rapidly implemented;
10. Notes the view of Commissioner Fischler that a wider EU negotiating mandate will only

be possible if Member States endorse CAP reform proposals, taking into account principles of fairness and cohesion, and therefore calls on the Council to reach an early decision in favour of reform;

11. Insists also that other major trading nations play their part in ensuring the success of the agricultural trade talks; calls on those which have not yet tabled proposals to the WTO to do so rapidly. Draws attention to the negative developments in US agricultural policy, where the US Farm Bill marks a step backwards from the objectives agreed in Doha, at a time when the EU is undertaking a major, progressive reform of the CAP;
12. Instructs its President to forward this resolution to the Council and the Commission.