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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 PPE-DE Group

on preparation for the World Trade Organisation Ministerial (Cancun, 10/14 September 2003)

European Parliament resolution on preparation for the World Trade Organisation Ministerial (Cancun, 10/14 September 2003)

The European Parliament,

- having regard to its resolution of 18 November 1999 on the communication from the Commission to the Council and the European Parliament on the EU approach to the WTO Millennium Round¹, its resolution of 15 December 1999 on the Third Ministerial Conference of the World Trade Organisation in Seattle² and its resolution of 13 March 2001 on the WTO Built-in Agenda negotiations³,
- having regard to the results of the 4th WTO Ministerial Conference Declaration adopted on 14 November 2001 in Doha, and having regard to its resolution on the Fourth WTO Ministerial Conference (B5-0691/2001),
- whereas the successful outcome of the Doha Development Round negotiations remains an important factor in bolstering economic growth worldwide and strengthening multilateralism and global governance; endorsing the general negotiating approach as laid down in the Council mandate for the 3rd WTO Ministerial Conference in Seattle, and calling on all WTO members to take the necessary substantive decisions in Cancun to conclude the Single Undertaking within the agreed deadlines,

Development

1. Is convinced that an open, multilateral trading system complemented by technical assistance can best meet the demand of developing countries for sustainable economic development, and calls therefore on all WTO members to confirm the package of results already achieved; calls on the WTO's members to follow the EU's lead in providing tariff and quota-free access to their markets for all products from countries covered by the 'everything-but-arms' agreement;
2. Stresses the need to reinforce capacity building by means of appropriate technical assistance designed not only to improve knowledge of the rules in force in the recipient countries but also, above all, to help them develop their commercial and exporting capacity and to diversify their production bases as well as to replace customs resources by other fiscal resources;
3. Maintains its view that special and differential treatment provisions are necessary to

¹ OJ C 189, 7.7.2000, p. 213.

² OJ C 296, 18.10.2000, p. 121.

³ OJ C 343, 5.12.2001, p. 96.

ensure that developing countries have the time to equip themselves for integration into the global economy in accordance with varying levels of development;

Industrial market access and tariff reduction

4. Stresses the need for agreements on modalities with regard to market access for industrial goods which reflect the high level of ambition of the Doha mandate; considers that tariff peaks, high tariffs and tariff escalation should be reduced or eliminated and that tariff cuts should affect all sectors without sheltering specific sectors; asks the WTO members to address the 'less than full reciprocity' concept agreed in Doha;
5. Recalls that the EU tariffs for textiles and clothing are now among the lowest in the world, and considers that comparable conditions of market access must be created for this sector, by means of tariff harmonisation and the elimination of all non-tariff barriers; calls on the Commission, in order to alleviate the impact of the elimination of quotas for the poorest and weakest countries, to consider measures and facilities to facilitate the use of preferences by these countries;
6. Underlines that industry continues to face pervasive behind-the-border trade obstacles, thus frustrating enhanced market access; calls for a clear distinction between legitimate regulatory measures and the use of measures to establish unjustified barriers to trade; suggests a WTO register for all WTO members' import regulations and an obligation to notify modifications to the WTO in order to facilitate exports by Small and Medium-sized Enterprises;

Singapore issues

7. Urges the formal launch of negotiations on the so-called Singapore issues (investment, competition, trade facilitation and transparency in government procurement);
8. Recalls that the Doha Declaration recognised the importance of creating a stable, transparent and non-discriminatory framework for Foreign Direct Investment; suggests a positive-list approach based on national treatment, allowing each country to open foreign investment only in those sectors in which it makes positive commitments and allowing each country to maintain specific restrictions; urges the launch of negotiations on this subject, underlining the importance of a multilateral legal framework for medium- and long-term investment with regard to development;
9. Requests in this context the formal launch of negotiations on competition policy; insists on the potential benefits of binding core principles concerning competition, such as transparency, non-discrimination, procedural fairness and international cooperation between competition authorities; takes the view that a competition agreement should be fully responsive to development concerns, noting that developing countries would share the benefits of the agreement;

10. Calls for the rules and practices of the WTO members in relation to imports and exports of goods to be updated in order to cope with the business requirements concerning simplified documents and data, and automation of procedures; calls for the creation of a binding set of WTO rules in order to have simplified fees and formalities;
11. Is in favour of a multilateral and legally binding agreement on government procurement, including goods and services contracts at all government levels;

Rules

12. Underlines that a satisfactory result on trade defence instruments is a precondition for the successful termination of the round and expects a more rules-based approach as much from industrialised countries as from developing countries; considers that procedural rules, rules on transparency and rules on circumvention should be improved and a swifter mechanism for the initiation of panels and better rules on circumvention should be established;
13. Calls for enhanced transparency with regard to general subsidies by enforcing the notification obligation and the inclusion of disciplines such as disguised R and D subsidies, state-controlled entities and local content subsidies;
14. With regard to fisheries subsidies, stresses the importance of restoring sustainable fisheries; takes the view that subsidies to alleviate the social consequences of capacity reductions or help to reduce capacities should therefore be allowed;

Services (GATS)

15. Underlines that progress in services negotiations is essential to accommodate the EU's economic interests, calls for substantive results with regard to market opening in the fields of telecommunications, financial, business, transportation, environmental and other services; welcomes the considerable progress made in the negotiations and encourages all interested WTO members to submit initial offers and engage actively in the negotiations; calls on the WTO members to adopt guidelines and a timetable for completing the negotiations;
16. Believes therefore that GATS negotiations should aim for successively higher levels of market access, with due regard to the interests of Small and Medium-sized Enterprises, while respecting the objectives of national policies and recognising the differing levels of development of WTO members;
17. Welcomes the fact that no EU offers are proposed in the health, education and audio-visual sectors, and calls on the Commission to maintain this position throughout the GATS negotiations and to ensure that no circumvention of this right can take place;

Trade in agricultural products

18. Stresses the need for a broad negotiating round with a view also to increasing the competitiveness of European agriculture, safeguarding the European model of agriculture and improving multilateral agreements other than the agriculture agreement, in particular the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS) (concerning public health protection) and the Agreement on Technical Barriers to Trade (TBT) (concerning production methods used);
19. Underlines that a successful conclusion of the negotiations on market access for agricultural products is one of the most important parts of the Single Undertaking; urges all major players, including the USA and the Cairns Group, to show greater flexibility; believes that all industrialised countries must accept substantial and early reductions in agricultural tariffs and quantitative restrictions on agricultural imports from developing and least developed countries, and the substantial reduction, with a view to the eventual reciprocal elimination, by all WTO members, of all forms of agricultural subsidies and schemes having an equivalent effect;
20. Recognises that the reform of the Common Agricultural Policy as proposed by the Commission and endorsed by Parliament will allow for the necessary flexibility and strengthen the EU negotiating position;
21. Insists in particular that future agreements relating to internal support, market access and export subsidies must ensure the survival of the European model of agriculture and the multifunctional role of agriculture; observes that the social, environmental and food safety dimensions of agriculture call for the presence of farmers in the countryside and for the continuation of agriculture's productive function throughout EU territory;
22. Calls for the agricultural negotiations and the new multilateral framework to incorporate appropriate provisions to guarantee that account is taken of the public's demands regarding food quality and safety, environmental protection and animal welfare;
23. Stresses the need to establish fair competition as regards food quality in order to open up markets by eliminating distortions of competition, encouraging the preservation of traditional expertise and ensuring respect for geographical indications;
24. Considers it essential that market stability as regards domestic access be safeguarded, and takes the view that any new concessions must take account of the varying sensitivity of Community products and must not do anything which might have a detrimental effect on the current situation and on production levels;
25. Takes the view that domestic support measures must take account of the special position of small farms and the legitimacy of special support for goods and services of public benefit resulting from multifunctional agriculture, rendered by farmers to society at large, which the market does not reward and that the best prospect of winning support in the WTO for trade rules compatible with a multifunctional agriculture and family-based agriculture is to make clear the EU's intention, in the medium term, of moving towards a

system of domestic support targeted directly at the promotion of non-trade concerns;

Precautionary principle

26. Emphasises the need to clarify, within GATT, the meaning of 'precautionary principle', in order to avoid misunderstandings or differences in interpretation; recommends the formula agreed at the Conference on the Environment and Development in Rio and calls for the recognition of this definition within the WTO; considers that there should be no increased scope for protectionist measures, but greater clarity about what is, and what is not, WTO-compatible;

Geographical indications

27. Urges the WTO members to confirm the outcome of the negotiations on the multilateral register for wines and spirits and decide how to extend geographical indications;

Protection of intellectual property (TRIPs)

28. Calls on WTO members to break the deadlock with regard to access to medicines; underlines that access to medicines is a problem of the greatest political importance, for which a solution must be found before Cancun; suggests that this solution could be a flexible system, consisting of a list of serious infectious epidemics that would be covered and that, in all other cases of serious public health problems, guidance should be given by the World Health Organisation;
29. Underlines, within TRIPs, the importance of implementing, within the agreed timetable, rules concerning trademarks for producers and consumers, requests the reinforcement of these rules and that special attention be devoted to the issue of designs and models and to the question of the international exhaustion of trade marks, as well as actions against counterfeiting and piracy;

Trade and environment

30. Stresses the importance of keeping the ambitious EU approach on the table to ensure that the final outcome of the negotiations will enhance the mutual supportiveness between MEAs and WTO agreements; calls for the incorporation of environmental protection through its inclusion in all WTO agreements and activities, and insists that the results of a new round should include significant new provisions aimed at safeguarding environmental sustainability;
31. Urges that voluntary eco-labelling schemes, using Process and Production Methods criteria, should be dealt with during the negotiations with a view to their full recognition within the WTO;

Core labour standards

32. Is convinced that an equitable global economic system should promote social development and fundamental rights; recognises in this context the universality of core labour standards; underlines the difficulty of addressing the interaction between trade and social issues in a manner that duly takes account of the concerns of all parties; calls in this context for the voluntary use of labelling, allowing the consumer to identify production conditions, to be fully recognised;

Dispute Settlement Understanding

33. Suggests that a permanent panel body be established; that recourse to compensatory measures, in the event of non-compliance with Dispute Settlement Body rulings, should be facilitated, that transparency and openness should be enhanced, without jeopardising the necessary confidentiality, and that access to the dispute settlement system should become cheaper and easier for developing countries;

Democracy and transparency

34. Calls on the Ministerial Conference to enhance the democratic accountability and openness of the WTO, both at the level of WTO members and through the creation of a WTO Parliamentary Assembly;
35. Reiterates its call for a consultative WTO Parliamentary Assembly composed of representatives of the WTO members' parliaments and which is competent for trade; calls on the parliamentarians who are going to meet at the 5th Ministerial Conference to continue the work started at Seattle and continued ever since by joint efforts of WTO members' parliaments;
36. Calls on WTO members and the WTO to provide sufficient support to their parliamentarians to take part in the development of the parliamentary dimension of the WTO; stresses the need for a provisional infrastructure for the Parliamentary Assembly until the WTO assumes its responsibilities in this respect; offers the necessary facilities for this purpose;

Internal institutional aspects

37. Calls on the Commission to keep it fully informed, before and during the Ministerial Conference in Cancun and throughout the negotiations, and to discuss with it regularly, on the basis of the resolutions adopted by Parliament, the essential elements of the EU's negotiating strategy; insists on being consulted, pursuant to the assent procedure set out in Article 300 of the EC Treaty, on the conclusion of the results of the New Round;

38. Instructs its President to forward this resolution to the Council, the Commission, the Governments and Parliaments of the Member States and the Director-General of the WTO.