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MOTION FOR A RESOLUTION

further to the Council and Commission statements

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

by Max van den Berg, Luis Berenguer Fuster, Eryl Margaret McNally, Erika Mann and Glenys Kinnock

on behalf of the PSE Group

on the Fifth Ministerial Conference of the World Trade Organisation in Cancun

European Parliament resolution on the Fifth Ministerial Conference of the World Trade Organisation in Cancun

The European Parliament,

- having regard to its resolution of 3 July 2003 on preparations for the Fifth WTO Ministerial Conference and to the Doha Declaration adopted by the Fourth Ministerial Conference on 14 November 2001,
- 1. Believes that the experience of Cancun demonstrates the need for far-reaching reform both of the WTO itself and of its place in the wider framework of global governance;
- 2. Considers that reform of WTO rules, working methods and decision-making procedures is needed to create a more efficient, rule-based, open and inclusive organisation, in which a parliamentary dimension would be an important element; and calls on the Commission, after consultation with Parliament, to bring forward proposals to that effect;
- 3. Notes also that Cancun highlighted the difficulty of finding solutions within a purely WTO framework to the problems of poor countries in coping with potential negative impacts of trade liberalisation and responding to the opportunities for export growth; notes also that Cancun saw the emergence, as a political force, of a group of developing countries, uniting the ACP, the African Union and LDCs, for whom this was a central problem;
- 4. Considers that this underlines the need to build a closer relationship between the WTO and other international organisations such as the UNDP, the ILO, UNEP and the World Bank;
- 5. Believes this to be an essential step towards a different and more sustainable model of globalisation, in which the mission of global institutions is to work together in the service of the common objectives set out, for example, in the UN's millennium goals, the Johannesburg Declaration, the UN Declaration of Human Rights and the ILO's core labour standards;
- 6. Regrets the failure of the Cancun Summit, which is a severe blow for the global economy, for Europe's citizens and in particular for the poorest people in the world, and also for multilateralism in world affairs;
- 7. Believes that a deal was within reach at Cancun, which would have brought substantial benefits to both North and South through reduction and elimination of trade-distorting farm subsidies, fairer access to industrial, agricultural and services markets, and progress on multilateral rules to ensure fair play and to safeguard non-trade concerns such as environmental and food safety standards;
- 8. Regrets that the Council Presidency did not prepare the Ministerial Conference adequately

through high-level political contacts with key trading partners;

9. Welcomes the flexibility demonstrated by the EU's negotiators in moving towards developing country positions on the key issues of agricultural trade, investment and competition rules; and recalls that it had identified at an early stage the need for flexibility on the Singapore issues in particular;
10. Expresses particular regret at the failure in Cancun to agree on abolition of the trade-distorting subsidies for cotton, particularly the \$3.5 billion subsidies paid to US cotton producers, which threaten the livelihoods of 10 million African cotton farmers;
11. Reaffirms its commitment to multilateralism in world trade and to the Doha Development Agenda; warns of the dangers of a drift to bilateralism, which risks marginalising the smallest and poorest countries; and emphasises the need now for confidence-building measures in order to revive the negotiations;
12. Believes that, to forestall a drift towards bilateralism, a new impetus must urgently be given to the Doha Round through the convening of a special Ministerial Conference in early 2004, with the task of advancing the implementation of the Doha Agenda; and calls on the Commission to take an early initiative to that effect;
13. Calls therefore on the WTO to put into operation the agreed measures on 'implementation issues' and to reach early agreement on the remaining issues; believes that capacity building must be expanded to improve opportunities for developing countries, especially LDCs, and to rebuild trust;
14. Requests the Commission to continue its planned reform of the CAP with a view to eliminating trade-distorting subsidies and in time to find a formula which maintains the multi-functional character of agricultural activity and supports the way of life and employment in agricultural areas;
15. Calls on the Commission, in close cooperation with the ACP and other developing countries, to table proposals for an early agreement on a fair deal for cotton producers, as well as to press the USA to respond positively with an early reform of its cotton sector;
16. Warmly welcomes the fact that, despite the failure of the Cancun summit, the agreement reached in Geneva on affordable access to medicines remains in place; notes, however, the concerns expressed over the risk that rules designed to prevent abuse could obstruct the effective operation of the agreement; calls on the EU Member States to follow the Canadian example and make a clear commitment to the expeditious authorisation of the necessary licences on request;
17. Draws attention to three very welcome developments in Cancun:
 - the new level of organisation and assertiveness of developing countries, which offers the prospect of the emergence of a new and fairer world order;
 - a greater openness and inclusiveness in the negotiating procedures;
 - the Parliamentary Conference on the WTO, which took place during the Cancun Ministerial Conference, with the participation of 300 parliamentarians, who

unanimously adopted a declaration calling for parliamentarians to be more closely associated with WTO negotiations;
and welcomes, in particular, the close working relationship between the Commission and Parliament's delegation, which ensured that the delegation was well informed and able to make a continuing input on behalf of Europe's citizens;

18. Instructs its President to forward this resolution to the Council, the Commission, the Director-General of the WTO and the ACP secretariat.