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## **MOTION FOR A RESOLUTION**

to wind up the debate on statements by the Council and Commission

pursuant to Rule 103(2) of the Rules of Procedure

by Caroline Lucas, Marie-Hélène Aubert, Pierre Jonckheer, Alain Lipietz,  
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on behalf of the Verts/ALE Group

on preparations for the Sixth Ministerial Conference of the World Trade  
Organization in Hong Kong

**European Parliament resolution on preparations for the Sixth Ministerial Conference of the World Trade Organization in Hong Kong**

*The European Parliament,*

- having regard to the Treaty establishing the European Community, and in particular Articles 36, 27 and 133 thereof,
  - having regard to the World Trade Organization (WTO) Doha Ministerial Declaration of 14 November 2001,
  - having regard to the decision adopted on 1 August 2004 by the General Council, on the Doha Work Programme,
  - having regard to the Council conclusions of 18 October 2005 on the WTO Doha Development Agenda,
  - having regard to the EU proposal for negotiation entitled 'Making Hong Kong a Success: Europe's Contribution - Brussels, 28 October 2005',
  - having regard to Rule 103(2) of its Rules of Procedure,
- A. whereas the 6th ministerial meeting of the WTO taking place in Hong Kong from 13 to 18 December 2005 will advance the work programme for negotiations set out by the WTO General Council on 1 August 2004, in particular with regard to a consensus on the modalities for negotiations on quantitative measures, and will pave the way for the conclusion of the Doha Development Agenda within 2006,
- B. whereas market opening as a tool for development must bring benefits, in particular to the least developed countries, and must not undermine the value of existing development measures such as the EU General System of Preferences (GSP),
- C. whereas the high level negotiation meetings of 8 and 9 November resulted in the overwhelming view that the Hong Kong conference will not be able to establish full modalities for negotiations in key areas, especially agriculture and non-agricultural market access (NAMA), because there is still a wide divergence in positions; whereas Pascal Lamy, WTO Director-General and Chair of the Trade Negotiations Committee, stated thereafter that expectations with regard to the outcome of the WTO Ministerial Meeting in Hong Kong must be recalibrated,
- D. whereas in public statements the European Trade Commissioner, Peter Mandelson, has ruled out the possibility of the Hong Kong final declaration containing any quantitative parameters,

- E. whereas the 41-member African Group of developing countries, in a letter sent to Pascal Lamy, Chair of the WTO Trade Negotiations Committee, on 8 November voiced its dissatisfaction at the fact that the Doha negotiations are not moving in a direction that will lead to any meaningful progress on issues of concern to African countries,
- F. whereas the main objective of the Doha Development Agenda is the economic advancement of developing countries; whereas this objective should guide all parts of the negotiations in order to come to real and sustainable development results; whereas net economic gains resulting from negotiations must accrue particularly to the least-developed countries in order to move towards the achievement of the Millennium Development Goals (MDGs),
- G. whereas, in order to be sustainable, market access should depend on qualitative parameters with regard to resource consumption, production standards and the production methods used; whereas in this connection progress in negotiations in the Committee on Trade and Environment, on the compatibility of WTO rules with multilateral environmental agreements, on tariff reductions for environmental goods and services, and on Processing and Production Methods (PPM) is of paramount importance in guaranteeing sustainable development,
- H. whereas the late tabling on 28 October by the EU of additional and aggressive requests in negotiations on NAMA and the service sector (GATS) in return for concessions in negotiations on agriculture has contributed decisively to deepening the divergence of positions and has led to the complete isolation of the EU and to its alienation from even its closest allies - a situation strikingly similar to that obtaining before and during the last, failed, WTO Ministerial Conference in Cancún,
- I. whereas the WTO, as a membership-driven organisation, must fully adhere to its principle of democratic decision-making, must remain inclusive in its negotiation procedure for the drafting of the final declaration of the Hong Kong ministerial meeting, and must guarantee consensus among all members on this final declaration,
- J. whereas delays in the completion of the Doha Development Agenda (DDA) provide an opportunity to reconsider the development content of the negotiations and to make sure that the DDA results in meaningful, real and sustainable economic gains, particularly for the developing countries that have suffered net economic losses since the completion of the Uruguay Round,
- K. whereas the main focus of the DDA is not market access for developed countries but the development concerns of developing countries; whereas, therefore, the Commission should withdraw its additional requests in negotiations on NAMA and GATS as contained in the EU offer of 28 October and should lower its ambitions in these fields of negotiation,
- L. whereas the Commission should therefore refrain from making concessions in agricultural negotiations a bargaining tool for, or conditional on, concessions by the developing countries in NAMA and GATS negotiations, bearing in mind that such concessions in agricultural negotiations have been promised for the past four years,

- M. whereas an independent sustainability impact assessment of the main proposals negotiated within the DDA, with particular emphasis on the interrelation between developmental, environmental and employment effects, must be set up in order to guide the sustainable development content of the Doha Agenda,
- N. whereas the Commission must fully comply with the specifications of the negotiation mandate as formulated at various meetings of the Council of Ministers for Agriculture and reiterated at the extraordinary External Relations Council meeting of 18 October, and must make sure that the Council and the European Parliament are fully involved in a timely fashion in the formulation of the Commission's negotiation position at all stages prior to and during the Hong Kong ministerial meeting,
- O. whereas the WTO Director-General and Chair of the Trade Negotiations Committee, Pascal Lamy, should respect the strong preference expressed by members for a bottom-up approach in the drafting of the Hong Kong ministerial text, under which the WTO members draw up the drafts using their own proposed wording; whereas continuous attempts by some Chairs of Negotiation Committees, in particular the Chair of the GATS Committee, to present controversial texts under their 'own responsibility' give rise to concerns that the views of those WTO members not in agreement with the Chairs are not being adequately considered,
1. Notes the idea put forward by the WTO Director-General and Chair of the Trade Negotiations Committee, Pascal Lamy, of adding a specific 'development package' to the negotiations in Hong Kong, but stresses that the development content of the Doha Agenda must primarily be reflected in the outcome of the main negotiations on agriculture, industrial goods, and services, as well as in the negotiations on special and differential treatment, trade-related intellectual property rights (TRIPs), trade facilitation, and trade and environment, in particular with regard to:

### **Agriculture**

#### ***Domestic support***

2. Stresses that agricultural production and markets need a stronger orientation towards sustainable production practices and effective distribution of food to the populations most in need; emphasises therefore that supply management and conditioned domestic support must remain a legitimate tool of governments to be used to facilitate higher degrees of national food security; warns that a tiered formula for overall reduction of trade-distorting domestic support, as measured by the final bound total Aggregate Measures of Support (AMS), is not appropriate if it restricts special and differential treatment of this sensitive sector in developing and developed countries; calls on all WTO members fully to notify all other members regarding the implementation of measures taken within Blue Box and Green Box measures and to clarify definitions thereof as quickly as possible;

#### ***Export Subsidies***

3. Calls on WTO members to agree on a binding timetable for the complete phasing-out

before 2008 of all export subsidies for agricultural products, of export credits with repayment periods beyond 180 days and of any provision of food aid which gives rise to a commercial displacement of local products; calls on the EU also to make unilateral steps in this direction; calls on WTO members to make sure that provisions of State Trade Enterprises (STE) are principally oriented towards preserving domestic consumer price stability and ensuring food security;

### ***Market access***

4. Calls upon WTO members to agree that specific social and ecological conditions for market access should be permitted in order to avoid unfair competition in food supply, including the introduction of quotas, where appropriate, to regulate and manage the volume of imports; warns that any formula for an overall reduction of tariffs is not appropriate if it restricts special and differential treatment of this sensitive sector in developing and developed countries; calls on WTO members to ensure exemption from any tariff-reduction formula for sensitive products and special products and to ensure a high degree of flexibility through Special Safeguard Mechanisms (SSM), Special Agricultural Safeguards (SSG), provisions for special and differential treatment and the extension of provisions with regard to products of geographical indication;

### **Non-agricultural Market Access**

5. Recalls the repeated warnings from ACP Trade Ministers that steep tariff reductions in accordance with the 'Swiss formula' would have detrimental effects on development, leading to de-industrialisation and unemployment on a large scale and to a loss of government revenues for public policy spending; warns the Commission, which is the most aggressive advocate of steep tariff reductions, that its present proposal demands more than full reciprocity from developing countries, since their tariff reductions would by far exceed the reductions required from developed countries, and reiterates that the Doha Declaration gives developing countries the right to less than full reciprocity; urges the Commission to refrain from demanding the inclusion of 'sectoral initiatives' in the negotiations, especially in environmentally sensitive sectors such as forests, fisheries and the extractive industries;
6. Recalls the growing consensus among development academics that it is crucial, if development is to take place, for governments to be provided with a high degree of flexibility and policy space to pursue national development goals, which should not be undermined by the binding of 'applied tariffs' at a low common denominator; rejects in this connection a 'Swiss formula' type of tariff reductions as well as the notification as non-tariff barriers to trade (NTBs) of environmental or social legislation which at national level applies international conventions and standards or goes beyond such conventions and standards;

### **Services**

7. Recalls the sensitive nature of the opening up of service markets in developing countries, due to the important role that most services play in public policies and development strategies; strongly urges the Commission to withdraw proposals for complementary

benchmarking in service liberalisation, as this attempt undermines the bottom-up approach in the current GATS 2000 negotiations, which recognises the freedom of governments to decide themselves when and how much to liberalise which services; warns in particular that the opening UP of financial service markets in developing countries can have severe detrimental effects on development objectives in the absence of a carefully sequenced liberalisation of their capital accounts, subject to negotiations among finance ministries within the framework of the International Monetary Fund;

### **Special and Differential Treatment**

8. Recalls the utmost importance of special and differential treatment (SDT) measures for the development concerns of the majority of WTO members, which must be negotiated on the same level of priority as all other elements of the DDA, and deplores in this regard the continuing lack of focus on SDT by the industrialised WTO member states; urges that serious negotiations proceed on the list of SDT measures notified by developing countries within the DDA, not least in order to orientate other bilateral and regional trade agreements; calls on the Commission to pursue with vigour a revision of GATT Article 24, in order to ensure that special and differential treatment for developing countries can also be applied in bilateral and regional trade agreements between developed and developing member countries;

### **TRIPs**

9. Welcomes the Commission's support for the request from least-developed countries for the transition phase for the full implementation of TRIPs obligations to be extended by at least another ten years; calls on the Commission to conduct with vigour a thorough review of the operation of the TRIPs agreement, particularly as regards the most appropriate ways of respecting the priority of public health requirements and to fulfil obligations resulting from the Convention on Biological Diversity (CBD), including the possibility of entirely redesigning the present system of rules on trade-related intellectual property rights in order to ensure that it takes more account of public health concerns and CBD obligations;

### **Trade and Environment**

10. Deplores the lack of any progress in the negotiations on trade and environment and stresses that the lack of political will on the part of WTO members to advance this part of the 'single undertaking' undermines the seriousness of the Doha Development Agenda objective of promoting the sustainability of trade;
11. Calls on WTO members urgently to address this shortcoming, rapidly to put forward proposals for the promotion of sustainable Processing and Production Measures (PPM), and to establish appropriate ways of guaranteeing that all trade rulings implement in full the trade-related measures contained in Multilateral Environmental Agreements (MEAs);

### **Technical Assistance and 'Aid for Trade'**

12. Welcomes efforts to enhance the ability of developing countries to take an active part in

trade negotiations and the implementation of trade rules, as long as programmes reflect the fact that trade strategies must flow from national development strategies; recalls that paragraph 33 of the Doha Agenda explicitly recognises the importance to developing countries of technical assistance and capacity-building in the field of trade and environment; stresses that 'aid for trade' programmes are a complement to and not a substitute for fairer trade rules; calls therefore for 'aid for trade' programmes to be uncoupled from trade negotiations and for such programmes to form an ongoing part of foreign assistance in order to make them a more predictable, long-term means of support for development;

### **Reform of the Dispute Settlement Mechanism**

13. Stresses the importance of guaranteeing the implementation of trade rules geared to sustainable development by reforming the WTO Dispute Settlement Mechanism so as to incorporate the establishment of an independent standing body of elected judges including experts from the UN specialised agencies, the opening up of proceedings to the public and the granting of financial and technical support for all members to file cases for dispute settlement;
  
14. Instructs its President to forward this resolution to the Council and Commission, the parliaments of the WTO member states and of the applicant countries, the Director-General of the WTO and the President of the Interparliamentary Union.