

EUROPEAN PARLIAMENT

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2009

Committee on Development

2005/2247(INI)

20.2.2006

OPINION

of the Committee on Development

for the Committee on International Trade

on the results of the Sixth Ministerial Conference of the World Trade
Organization in Hong Kong
(2005/2247(INI))

Draftswoman: Maria Martens

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SUGGESTIONS

The Committee on Development calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Recalls that the 2001 Doha WTO Ministerial Declaration places the needs of developing countries at the heart of the Doha Development Agenda (DDA), in order to enable them to integrate in the global economy;
2. Reiterates that trade can be an important and effective tool for development and poverty reduction, which - together with other development tools - must contribute to the achievement of the Millennium Development Goals;
3. Considers that the Hong Kong Ministerial Conference has not yet succeeded in achieving this goal and warns that after the expiry of the US Presidential Trade Promotion Authority (the "fast track") in 2007 negotiations may become even more complicated; reiterates, however, that efforts to meet the 2006 deadline for the conclusion of the Doha Round should not compromise the objective of reaching a development-oriented outcome;
4. Welcomes the progress made in the area of Special and Differential Treatment (SDT), but emphasizes that a great deal more remains to be done and that SDT - giving the least developed and vulnerable countries special privileges - should be a genuine development tool, which forms an integral and binding part of the WTO agreements;
5. Welcomes the elimination of export subsidies in agriculture, including those in the form of food aid and other export refund systems, by all developed countries at the latest in 2013; equally welcomes the frontloading of a substantial part of the cuts in the first half of the implementation period and calls on developed countries to stand by those pledges; urges the Commission and the other developed WTO Members to finalise the modalities for an important reduction of trade-distorting agricultural domestic subsidies and tariffs;
6. Welcomes the agreement on Special Products and a Special Safeguard Mechanism (SSM), recognising the needs of developing countries to safeguard food security, rural development, and the livelihoods of poor farmers;
7. Regrets that the Hong Kong agreement is limited to the elimination of cotton export subsidies and does not deal with domestic subsidies which constitute the vast majority of trade distorting supports;
8. Asks the Commission to consider the possibility of introducing a 'development box' for the Least Developed Countries into the agricultural negotiations, so that they can tackle food safety and rural employment, which are major issues when it comes to eradicating poverty;
9. Stresses the importance of market access of non-agricultural products for developing countries, while keeping the right to regulate ecologically-sensitive sectors; urges developed and emerging countries to contribute to this process, commensurately with

their degree of development, by giving market access to LDCs and stimulating North-South, as well as South-South trade; insists that the least developed and vulnerable countries should not have to make any commitments at all;

10. Takes note of the agreement on the Swiss formula for tariff reduction in NAMA, and notes that it must fully respect the principle of "less than full reciprocity";
11. Is disappointed that the "development package", giving the LDCs duty-free and quota-free access to markets in developed countries by 2008, has not followed the full EU's "Everything but Arms" (EBA) initiative, but that it restricts market access to 97% of LDC products (excluding about 300 tariff lines) - enough to effectively deprive some LDCs of market access for all their products;
12. Stresses that a gradual well-regulated liberalisation of services could result in higher economic growth and job creation; stresses however that the ability of all WTO Members to regulate their service sectors should be safeguarded, especially in key service sectors such as healthcare and education; flexibilities should be included for those countries that do not feel ready yet to negotiate on trade in services;
13. Calls on the Commission to take due account of the preference erosion in the DDA negotiations and to consider what measures should be taken to guarantee that the effectiveness of EU preferences will be continued, especially for the poorest countries; is deeply concerned, in particular, about the reform of the EU sugar regime and its impact on ACP countries and calls on the Commission to fulfil its commitment made in Hong Kong to providing at least EUR 190 million each year to these countries for accompanying measures;
14. Deeply deplores the fact that the problem of the decline in commodity prices has so far not been tackled in an adequate way within the DDA;
15. Welcomes the Aid for Trade programme, as part of the "development package", providing trade-related aid for developing countries, especially LDCs; strongly criticises, however, the fact that the announced programme is drawing on already pledged aid; calls on the European Union to ensure that its contribution is financed out of new resources and that these funds are used to support trade programmes in developing countries that are most in need;
16. Welcomes the amendment to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) to allow countries with insufficient pharmaceutical manufacturing capacity to import generic versions of drugs still under patent, and calls upon all Members to fully implement the Doha Declaration and refrain from negotiating trade agreements that go beyond what was agreed in Doha; calls for an urgent review in order to assess the effectiveness of the measures in place;
17. Stresses the importance of technical assistance and capacity-building for developing countries which need assistance to enable them to reap the benefits from improved market access, to diversify their production, to replace customs resources and to fulfil the WTO commitments, and recognises the potential gains for developing countries of

- progress in the area of trade facilitation;
18. Regrets the lack of democratic accountability and transparency of the WTO negotiating process and calls for a strengthening of the parliamentary dimension of the WTO;
 19. Stresses the importance of the multilateral trading framework; stresses that transparent decision-making within the WTO, a better system of accountability to elected national representatives, enhanced possibilities for public scrutiny and wider consultation of civil society are needed in order to guarantee a fair rules-based system for international trade and for allowing the poorest countries to strengthen their voice during the trade negotiations; emphasises, moreover, that for this to be possible the LDCs must receive the necessary support to increase their negotiating capacity;

PROCEDURE

Title	Results of the Sixth Ministerial Conference of the World Trade Organization in Hong Kong
Procedure number	2005/2247(INI)
Committee responsible	INTA
Opinion by Date announced in plenary	DEVE 15.12.2005
Enhanced cooperation – date announced in plenary	
Drafts(wo)man Date appointed	Maria Martens 1.12.2005
Previous drafts(wo)man	
Discussed in committee	20.2.2006
Date adopted	20.2.2006
Result of final vote	+: 19 –: 0 0: 2
Members present for the final vote	Margrete Auken, Thierry Cornillet, Alexandra Dobolyi, Michael Gahler, Filip Andrzej Kaczmarek, Glenys Kinnock, Ģirts Valdis Kristovskis, Maria Martens, Miguel Angel Martínez Martínez, Jürgen Schröder, Felekna Uca, María Elena Valenciano Martínez-Orozco and Anna Záborská.
Substitute(s) present for the final vote	John Bowis, Milan Gaľa, Ana Maria Gomes, Fiona Hall, Manolis Mavrommatis, Zbigniew Zaleski and Gabriele Zimmer.
Substitute(s) under Rule 178(2) present for the final vote	Robert Evans.
Comments (available in one language only)	