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RC1

JOINT MOTION FOR A RESOLUTION

pursuant to Rule 37(4) of the Rules of Procedure by

- Ilkka Suominen and Konrad Schwaiger on behalf of the PPE-DE Group
- Margrietus J. van den Berg, Eryl Margaret McNally and Erika Mann on behalf of the PSE Group
- Nicholas Clegg and Willy C.E.H. de Clercq on behalf of the ELDR Group

replacing the motions by the following groups:

- ELDR (B5-0691/2001),
- PPE-DE (B5-0692/2001),
- PSE (B5-0693/2001),

on the Fourth WTO Ministerial Conference

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PE 310.360}
PE 310.361}
PE 310.362} RC1

European Parliament resolution on the Fourth WTO Ministerial Conference

The European Parliament,

- having regard to its resolutions of 18 November 1999 on the communication of 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 WTO Ministerial Conference in Seattle² and its resolution of 13 March 2001 on the WTO built-in-agenda negotiations³,
 - having regard to the final statement of the seminar on 'Trade, development and democracy: the need for reform of the WTO', held in Brussels on 10/11 April 2001, and to the work of its Committee on Industry, External Trade, Research and Energy on WTO transparency and democracy,
1. Endorses the general negotiating approach laid down in the Council mandate for the Third WTO Ministerial Conference in Seattle, maintains and underlines its demands made before that Conference and stresses its support for a new round of multilateral trade negotiations with a broad agenda, in order to boost sustainable economic growth, strengthen, develop and reform the rules-based trade system and ensure a fair distribution of its benefits;
 2. Believes that the terrorist attacks on the United States will have a strong impact in the long term; condemns all forms of international terrorism; stresses that WTO members should convene as planned, to give a strong and clear message to the global economy that multilateral cooperation on freer and fairer trade will continue; takes the view that future WTO activities should take into account the increasing impact of trade rules on a wide range of public concerns and that the goal of environmental, social and economic sustainability, and a commitment to poverty reduction and human rights, should therefore be integrated into the WTO's objectives and work programmes;
 3. Notes that the anxieties expressed by citizens of the EU and elsewhere over the role of the WTO essentially concern three issues:
 - (a) the fairness of the world trade system, including its impact on developing countries and on poverty;
 - (b) the need for institutional reform, to ensure that the WTO does not affect the capacity of its members to exercise democratic political choice and to conduct trade policy with maximum transparency;

¹ OJ C 189 , 7.7.2000, p. 213.

² OJ C 296, 18.10.2000, p. 121.

³ Not yet published in OJ C.

- (c) concern that the growing role of the WTO should respect other international obligations and not unduly constrain public policies in areas such as healthcare and education;
- 4. Believes that the duty of the Fourth WTO Ministerial Conference is to respond to the concerns of citizens and that the over-riding priority must therefore be to agree a negotiating agenda which adequately addresses the issues of inclusiveness, democracy and development and the interface between trade and non-trade issues; considers that failure to address these issues would be hard for EU citizens, and the European Parliament, to support;

The needs of developing countries

- 5. Believes that the immediate priority must be the needs of developing nations within the international trading system; remains highly concerned that many developing nations have not fully shared in the benefits derived from previous trade rounds and are often unable to muster the necessary resources to participate fully in WTO negotiations and to defend their own rights within the WTO;
- 6. Calls for a substantial reduction, by all industrialised countries, of barriers to agricultural exports from developing countries, reflecting their level of development; considers that temporary protective measures for developing countries should be permitted, to allow them to ensure food security;
- 7. Welcomes the commitment of many world leaders that the next trade round must be a development round and calls on the WTO's members to address developing countries' implementation concerns regarding the Uruguay Round, particularly in the fields of intellectual property, sanitation rules, technical barriers to trade, anti-dumping rules, safeguard measures and rules on mobility of professional labour from developing countries; to follow the EU's lead in providing tariff- and quota-free access to their markets for all products from least developed countries, other than armaments; to further open their markets to imports of goods and services from developing countries, including the elimination of tariff peaks and tariff escalation; to strengthen capacity-building measures to equip developing countries to compete on an equal basis in the world economy; and to allow special and differential treatment provisions to ensure that developing countries have the time to equip themselves for integration in the global economy in accordance with their varying levels of development;
- 8. Is convinced that an open, multilateral trading system complemented by technical assistance can best meet the needs of developing countries for sustainable economic development; understands the developing countries' reluctance to assume further obligations in the framework of a new round; asks the WTO therefore to work on an agenda for economic and social development, especially a work programme to boost the capacity of developing countries to benefit from international trade, including measures to address health and education and debt problems, to ensure that the OECD poverty targets for 2015 are met, to boost infrastructure, and to curb the international arms trade; advocates the idea of 'opt-out-solutions' for developing countries, linking their economic progress with progressive application of the new set of WTO rules on investment and competition;

Democracy and transparency

9. Calls on the Ministerial Conference to set out an ambitious agenda for strengthening democracy and openness in the WTO, to ensure that all members are able to participate effectively and have recourse to adequate remedies in the event of disputes, that the great majority of documents are published rapidly on the Internet, that most meetings and dispute panel and appellate body hearings are held in public so as to reflect the paralegal nature of these proceedings, that the organisation is more open to the views of other international organisations and of civil society, and that parliamentary scrutiny is strengthened, both at WTO member level and through the creation of a WTO Parliamentary Assembly;
10. Reiterates its call for a consultative WTO Parliamentary Assembly composed of representatives of the WTO members' parliaments who are responsible for trade; stresses that such an assembly adds to WTO democratic legitimacy and transparency by voicing concerns of citizens and helping make it a successful international organisation; calls on the parliamentarians who will meet at the Fourth Ministerial Conference to set up a permanent working group to work on rules for the Parliamentary Assembly, to be submitted to the next parliamentary meeting at the Fifth WTO Ministerial Conference;
11. Calls on WTO members and the WTO to provide sufficient support for their parliamentarians to take part in the development of the WTO's parliamentary dimension; 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;

Trade and environment

12. Calls for the mainstreaming of environmental protection through its inclusion in all WTO agreements and activities, and insists that the results of a new round must include significant new provisions aimed at safeguarding environmental sustainability; considers that the key issues in this regard include: the insulation of MEAs from unwarranted challenge in WTO dispute settlement procedures; provisions to facilitate eco-labelling schemes compatible with WTO rules; a closer relationship between the WTO and international environmental bodies; a greater role for developing countries in standard-setting bodies; financial and technical support to assist developing countries in complying with environmental measures; further reflection on the way WTO rules apply to process and production methods, as well as the way in which the burden of proof on environmental and public safety matters falls upon importing countries;

Precautionary principle

13. Welcomes in particular the EU's position that the precautionary principle should be explicitly included in the WTO rules, with particular regard to Article XX GATT;
14. Emphasises the need to harmonise the definition of the precautionary principle, in order

to avoid misunderstandings or differences in interpretation; notes that the definition of the precautionary principle as adopted at the Conference on the Environment and Development in Rio could become an internationally accepted model 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;

Competition and investment

15. Requests in this context the inclusion of competition policy in the negotiating agenda; stresses the potential benefits of binding rules on competition, particularly on merger controls, cartels and abuse of a dominant position; 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, even if they do not participate fully to begin with;
16. Supports the creation of a multilateral legal framework for foreign direct investment, to offer foreign investors greater legal certainty and give recipient countries the opportunity of pursuing their legitimate political aims of sustainable economic development; requests therefore that this framework should take due account of the interests of the developing countries and, secondly, place the question of investment protection in the economic context of competition law and controls on monopolies;

Core labour standards

17. 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 in tackling gender inequality and social and economic exclusion and ensuring a fairer distribution of the benefit of trade between and within countries; does not aim to call into question the comparative advantage of low labour-cost developing countries; stresses the difficulty of addressing the interaction between trade and social issues in a manner that takes due account of all parties' concerns;
18. Welcomes the ILO's proposals to strengthen its mechanisms for ensuring respect for core labour standards; welcomes ILO proposals for a Commission on the Social Dimensions of Globalisation; believes that the ILO should have observer status at WTO meetings, and strongly supports the EU proposal for a joint ILO/WTO Standing Forum on this issue;

Goods

19. Considers that a significant further reduction of tariff rates on industrial products and the abolition of tariff peaks and tariff escalation is necessary to give the world a much needed push towards more sustainable growth;
20. Recognises that the EU has respected its commitment to open its textiles market, increase quotas and gradually extend implementation of the GATT rules to the sector; stresses that existing agreements in the textile and clothing sector should be applied by all WTO

members; advocates, in the framework of the WTO, that every effort should be made to achieve a further opening of markets;

Services

21. Believes that GATS negotiations should aim for steadily higher levels of market access, while respecting the objectives of national policies and recognising the differing levels of development of WTO members; is convinced that trade barriers should be reduced also in other areas without affecting consumer protection and public policy objectives in the fields of healthcare, education and culture; reiterates the right of each state to intervene in and regulate public services and, more broadly, services of general interest, and calls for the clarification of those provisions of GATS whose wording has given rise to concern in that regard;
22. In recognition of the European audio-visual sector's special role in sustaining cultural pluralism, a healthy economy and freedom of expression, reaffirms its commitment to the freedom of action in the sphere of audio-visual policy obtained at the Uruguay Round; takes the view that the GATS rules on cultural services, in particular in the audio-visual sector, should not jeopardise the cultural diversity and autonomy of the WTO contracting parties; (nouveau)

Trade in agricultural products

23. Stresses that negotiations on agriculture must aim to establish rules which are not only fair and market-oriented, but consistent with the right of WTO members to follow agricultural policies adapted to their own needs and circumstances, including, in the EU, the multifunctional agricultural model; takes the view that agricultural trade rules should in particular be consistent with sustainability, environmental protection, biodiversity, food security, food safety and quality, rural development, poverty alleviation and animal welfare, while recognising the concerns of developing countries that these issues should not give rise to new protectionist measures;
24. Stresses the important distinction between trade-distorting and non-trade distorting forms of domestic agricultural support; asks, in the interests of transparency, for details of all direct and indirect subsidies to be made available during the negotiations; considers that the key to the reform process is to move progressively away from trade-distorting policies, taking into account the situation of different sectors; believes that disciplines should be strengthened for aids related to market prices; proposes therefore that such aids for products of which a substantial portion is exported should be subject to the same reduction commitments as export subsidies; believes that disciplines concerning non-product specific domestic support should be further strengthened and clearly defined;
25. Provided that rules can be negotiated which safeguard the EU's non-trade objectives and those of developing countries, favours the gradual shift of agricultural support towards non-trade-distorting ('green box') forms and the substantial reduction of all forms of agricultural export assistance over the next few years, together with a strengthening of mechanisms to stabilise world markets; notes that an extension of the peace clause will

be needed to allow for these adjustments;

Protection of intellectual property

26. Stresses the importance of efficient protection of intellectual property for the knowledge-based society; is well aware, however, of the difficulties faced by many developing countries in implementing the undertakings entered into under the agreement on trade-related aspects of intellectual property rights (TRIPs), and therefore reiterates its call on the WTO and the Commission to step up comprehensive technical assistance and financial support to developing countries in implementing an effective policy on the protection of intellectual property rights; stresses the importance of rules of origin and trademarks for producers and consumers and asks for their strengthening and the necessary clarifications in the context of WTO rules;
27. Calls for a detailed re-examination of the impact of TRIPs with a view to facilitating the transfer of knowledge to developing countries and improving access to medicines; guaranteeing the substantial technical support needed by many developing countries to implement TRIPs; clarifying provisions on compulsory licensing and parallel imports; confirming the TRIPs Agreement's flexibilities and outlining the scope of these flexibilities to ensure that lifesaving medicines are made available at affordable prices in developing countries; protecting traditional knowledge; and ensuring that the Agreement is consistent with the Convention on Biodiversity (CBD) and the Protocol on Biosecurity;
28. Supports the EU's position in the review of Article 27(3)(b) of TRIPs that the solutions to the developing countries' concerns will be assisted by developing appropriate international instruments to achieve the objectives of the CBD and through negotiation of measures within the intellectual property rights system; supports the EU's position on discussing, within the TRIPs Council, the relationship between TRIPs and the Convention on Biodiversity; believes that, pursuant to Article 66(2) of the TRIPs Agreement, serious efforts have been made, and should be further developed, by the EU and its Member States to give incentives to European industry to develop its direct investments and to transfer technology to LDCs;

On internal institutional aspects

29. Calls on the Commission to keep it fully informed, before and during the Ministerial Conference in Qatar 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; reserves the right, in the course of the new round, to give the Commission recommendations, pursuant to Rule 97(5) of its Rules of Procedure on the individual items being negotiated, and calls on the Commission to take due account of such recommendations as a precondition to parliamentary assent to the final result of the negotiations; 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;
30. Calls on the EU delegation and the Member States to maintain unity during the Ministerial Conference and throughout the negotiations, so that the Commission, as the

EU's chief negotiator, can bring the full weight of the EU to bear in the negotiations;

31. Emphasises the need for a greater degree of parliamentary accountability in the negotiating process by ensuring that the Commission negotiators are regularly subjected to parliamentary scrutiny, and also insists on greater access to the proceedings of the Council (especially the so-called Article 133 Committee); stresses that institutional and procedural reforms of the way in which EU trade policy is formulated have remained static since the Third WTO Ministerial Conference; regrets that EU Member States did not take the appropriate measures to amend Article 133 of the Treaty during the last IGC in order to give the European Parliament more powers in the EU's common commercial policy, and so enhance the political and public legitimacy of EU trade policy;
32. Instructs its President to forward this resolution to the Commission, the Council, the governments and parliaments of the Member States and the Director General of the WTO.