# **EUROPEAN PARLIAMENT**

1999



2004

Session document

25 June 2003 B5-0323/2003

# **MOTION FOR A RESOLUTION**

further to the Commission statement

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

by Seán Ó Neachtain, Sergio Berlato, Liam Hyland and Antonio Mussa

on behalf of the UEN Group

on preparations for the 5th World Trade Organisation Ministerial Conference (Cancun, Mexico, 10-14 September 2003)

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#### B5-0323/2003

# European Parliament resolution on preparations for the 5th World Trade Organisation Ministerial Conference (Cancun, Mexico, 10-14 September 2003)

# The European Parliament,

- having regard to its resolutions of 18 November 1999 on the communication of the Commission to the Council and the Parliament on the EU approach to the WTO Millennium Round, 15 December 1999 on the 3rd WTO Ministerial Conference in Seattle and 13 March 2001 on the built-in agenda negotiations,
- having regard to the 4th WTO Ministerial Conference Declaration adopted on 14 November 2001 in Doha,
- having regard to its resolution on the 4th WTO Ministerial Conference (B5-0691/2001),
- A. whereas current political concerns and anxieties expressed about the WTO's operation and the effects of international trade are often legitimate, even though they must not obscure the necessary strengthening of a rules-based multilateral trade system,
- B. whereas the outcome of the Doha summit should be taken fully into account, especially regarding the place of the less-developed countries, without stopping to defend the economy and the specific models especially in the area of agriculture of development of the European Union,
- C. whereas, before this 5<sup>th</sup> round, it should be clearly established whether the European Parliament's request for transparency is compatible with the need for efficiency of the negotiations,

# Negotiating mandate

1. Expresses its scepticism about the general negotiating approach laid down in the Council mandate for the 3rd WTO Ministerial Conference in Seattle, and regrets the remaining lack of detail on what could or could not be part of this future negotiation;

# **Developing** countries

- 2. Believes that priority should be given to the needs of developing nations, which until now have not shared in the benefits of previous trade rounds, and to ensuring their full and active participation in the WTO negotiations;
- 3. Hopes that the useful concerns about environmental safety and sustainability will match with the need for solutions for the developing nations;



- 4. Is convinced that an open, multilateral trading system complemented by technical assistance can best meet the demand of developing countries for sustainable economic development;
- 5. Stresses the need for reinforced capacity-building in the developing countries to help them develop their commercial and exporting capacity and diversify their production bases;
- 6. Asks the Commission to promote coordination of the efforts of international institutions in the field of capacity-building as provided for in the Integrated Framework;
- 7. Calls on WTO members to work towards a greater opening of all markets to goods and services from developing countries through the gradual elimination of tariffs;
- 8. Maintains its view that special and differential treatment provisions are necessary in order to ensure that developing countries have the time to equip themselves for integration into the global economy in accordance with varying levels of development;
- 9. Recalls that the tariffs already applied in the EU for textiles and clothing are now among the lowest in the world, and considers that sectoral negotiation is necessary in order to obtain comparable market access conditions for this sector among all WTO members;
- 10. Asks the Commission to oppose the adoption of any formulae that could imply a reduction of current EU tariffs. Asks the Commission, in considering the levels of harmonised duties, to take account of the need for the EU to maintain adequate margins of preference for the least-developed countries and for the countries in the Euro-Mediterranean area;
- 11. Maintains its position that this new round should not jeopardise the cultural identity and sovereignty of WTO members, and will reject in advance any proposal that would affect WTO members' freedom and responsibility in the field of services such as education, culture and health care;

# Agriculture

- 12. Stresses the need to safeguard the European agricultural model in the negotiating round in order to maintain the stability of national agricultural markets and protect them from international price fluctuations, and to uphold the models of production and land use which are typical features of European agriculture;
- 13. Believes that the European Union should support, in the context of the WTO negotiations, the right of peoples and nations to safeguard their food autonomy and the survival of the rural world, in particular by being able to protect themselves from dependency-creating imports;
- 14. Stresses that any reductions agreed in the WTO in import tariffs, export refunds or trade-distorting domestic agricultural supports can only be agreed on the basis of a fair distribution of costs among all developed countries;
- 15. Considers it essential that market stability as regards domestic access be safeguarded, and takes the view that any new import concessions must take account of the considerable

sensitivity of Community products and the relevant levels of production;

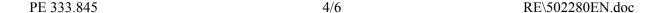
- 16. Reaffirms the continuing importance of the Community preference principle as enshrined in the Treaties, more specifically with a view to ensuring that:
  - (a) the European Union is not obliged to open its markets to products of which it has a sufficient supply;
  - (b) the European Union is entitled to maintain or create access restrictions to its market with regard to products which it lacks, so as to facilitate the production of such products;
  - (c) the European Union is entitled to prohibit the import of products in order to protect consumer health or the environment, in accordance with criteria and standards established by the EU itself;

#### Rules

- 17. Calls for an updating of the rules and practices of WTO members in relation to the import and export of goods with a view to meeting business's demands for simplification of 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; requests the formal launch of negotiations on trade facilitation;
- 18. Recalls that the Doha Declaration recognised the importance of creating a framework for Foreign Direct Investment; underlines its importance for mid- and long-term investment with regard to development;
- 19. Requests in this context the formal launch of negotiations on competition policy; emphasises the potential benefits of binding rules on competition, particularly on merger controls, cartels and abuse of 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;
- 20. Underlines that a satisfactory result on trade defence instruments is a precondition for a successful termination of the round, and expects a more rules-based approach from industrialised, as well as developing, countries; the procedural rules, rules on transparency and rules on circumvention should be improved;

#### Non-trade aspects

- 21. 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 should include significant new provisions aimed at safeguarding environmental sustainability;
- 22. Emphasises the need to arrive at a definition of the precautionary principle in order to avoid misunderstandings and differences of interpretation; underlines that such a definition should be seen as a minimum level which national regulations can strengthen;





- 23. Asks for greater legal clarity with regard to the relationship between Multilateral Environment Agreements and WTO rules;
- 24. Recalls the need for vigilant action to fight counterfeiting and piracy;
- 25. Calls for voluntary eco-labelling schemes, using Process and Production Methods criteria, to be recognised within the WTO;

### Services (GATS)

- 26. Underlines that progress in services negotiations is essential if the EU's economic interests are to be accommodated; calls for substantive results in the fields of telecommunications, financial, business, environmental and other services;
- 27. Believes, therefore, that the GATS negotiations should aim for steadily increasing levels of market access while respecting the objectives of national policies and recognising the differing levels of development of WTO members;
- 28. Welcomes the fact that no EU offers are proposed in the health, education, audiovisual and cultural 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;
- 29. Reaffirms its commitment to freedom of action in the sphere of audio-visual policy, in recognition of the European audio-visual sector's special role in sustaining cultural pluralism; 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;

# Intellectual Property (TRIPS)

- 30. Considers it essential that the WTO clearly define certain aspects of the rules on product origin and labelling; a definitive agreement on the trade-related aspects of intellectual property provided for under the TRIPS agreement is of paramount importance to the protection of the European food industry; in this regard, PDOs and PGIs should be specifically recognised by establishing legal protection, which should also include pecuniary penalties;
- 31. Takes the view that consumers should be entitled to know how food and other products are produced, and that labelling is of particular importance in this regard; believes that the WTO rules should not restrict provisions concerning voluntary or compulsory labelling systems;
- 32. Calls on WTO members to break the deadlock on TRIPS with regard to access to medicines; suggests that the solution could be a flexible system consisting in a list of serious infectious epidemics that would be covered, with guidance on all other cases of serious public health problems being given by the World Health Organisation;

# Institutional aspects

- 33. Calls on the Ministerial Conference to strengthen the democratic accountability and openness of the WTO;
- 34. 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 the essential aspects 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;
- 35. 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.

