

EU: GENERAL AFFAIRS AND EXTERNAL RELATIONS COUNCIL MEETING

Brussels, 21 July 2003

WTO trade negotiations - preparation of the Vth MINISTERIAL CONFERENCE IN CANCUN –
Council conclusions

"1. Ahead of the WTO Ministerial Conference to be held in Cancún from 10 to 14 September 2003, the Council reaffirmed the EU's fundamental commitment to:

- the multilateral trading system, which, through its combination of market access provisions and rules and disciplines, is a powerful engine to contribute to economic growth, job creation, development opportunities, poverty reduction, predictability, sustainable development and the management of the challenges of globalisation;

- a successful conclusion of the Doha Development Agenda by the end of 2004, the DDA being a single undertaking aiming at achieving an ambitious, comprehensive and balanced package of agreements, both on market access and rules, and better integrating developing countries, especially the least developed countries, into the multilateral trading system, in accordance with all the objectives set out at Doha;

2. The Council underlined the importance of the forthcoming Cancún Conference, which should move the work programme launched at Doha into its determining phase. The Council reiterated the EU's determination that the Cancún conference should succeed and considered in this regard that all participants should intensify their efforts in the coming weeks in Geneva with a view to presenting a manageable document to Ministers in Cancún on the key issues.

3. The Council confirmed that its conclusions adopted in October 1999, in November 2001 at Doha and the conclusions of the Agriculture Council of 26 June 2003, as well as the Singapore and Doha Ministerial Declarations and related texts adopted at Doha, constitute the basis for the European Union's action in the DDA negotiations and in preparation for Cancún. The Council also noted that it had separately adopted conclusions following the Commission Communication on promoting core labour standards.

4. The Council recalled that the DDA negotiations are based on a comprehensive agenda and must proceed at a similar pace in all areas. With regard to specific issues for Cancún, the Council stressed the following:

First, modalities for the negotiations on agriculture have to be established. The Council welcomed the political agreement reached by the Agriculture Council on 25/26 June 2003 on the reform of the Common Agricultural Policy, which stressed that the decisions taken on that occasion constituted an important European contribution to the DDA negotiations on agriculture and the limits of the Commission's negotiating brief in the WTO Round. The Council also recalled

that the Agriculture Council had also stressed that the margin of manoeuvre offered by this CAP reform could only be used in the DDA on condition of equivalent agricultural concessions from the EU's WTO partners. The Community is now in a position to lead the way towards an ambitious outcome of the negotiations on agriculture, including the EU's offensive interests, and other objectives such as non-trade concerns.

Second, the Council stressed that the Cancun ministerial has to establish modalities for the next phase of negotiations on non agricultural market access, recalling that this accounted for three quarters of world trade. Only an ambitious outcome, meeting all the objectives set out in the Doha Ministerial Declaration, would therefore serve as a catalyst for further economic growth worldwide. Modalities for tariff reductions should be based on a simple, single formula, without excluding additional sectoral elements, and attain all relevant objectives of the Doha mandate, in respect of both tariff and non-tariff barriers, whose potential to impede trade remains very high.

Third, the Council agreed on the importance of establishing a precise timetable for the negotiations on services, stressing that further market opening in this sector is of significant importance to the European economy and to many other WTO Members. The Council stressed the need for more offers from other WTO members, and for improvements in existing offers, so as to ensure a substantive and mutually satisfactory outcome.

Fourth, the Council emphasised the great importance of the WTO reaching a definitive decision on Trips and Access to Medicines, based squarely on the 16 December 2002 text, before Cancun, and called upon the US to join all other WTO Members in support of that text.

Fifth, the Council reiterated its desire to see real progress at Cancun on several other issues of importance to developing countries. It noted that all the EU's written contributions to the WTO had incorporated substantive and concrete proposals regarding developing countries. The Council in particular stressed the Community's support for a meaningful package of decisions on special and differential treatment and, following up from the Doha mandate, on implementation of the WTO Agreements, as well as a further work programme on the remaining issues. The Council also underlined the desirability of deciding at Cancun specific measures to assist the least developed countries, as a concrete response to the proposals made by the least developed countries at their Ministerial meeting in Dhaka in June 2003, including the elimination of all tariffs and quantitative restrictions by all developed countries on all products from the least developed countries.

Sixth, the Council noted that Cancun also needed to establish the modalities for the Singapore issues, thus ensuring the prompt formal launch of the negotiations agreed at Doha. The Council stressed that the launch of negotiations on all four of the Singapore issues at Cancun was necessary in order to preserve the principle of the single undertaking. In this regard the Council confirmed the objective of negotiating new WTO rules and disciplines in all four areas, and rejected suggestions that any one of the four Singapore issues might be removed from the scope of the single undertaking.

Seventh, the Council reconfirmed that Cancun should conclude the negotiations on the establishment of a multilateral system of notification and registration of geographical indications for wines and spirits and move forward the negotiations on the extension of additional protection to other products.

Eighth, the Council called for confirmation of the decisions on issues concerning the relationship between trade and environment, pursuant to paragraphs 31 and 32 of the Doha Declaration, notably on MEA observership. Decisions on these matters would be an important component of the WTO's contribution to sustainable development. More generally, the Council reaffirmed the EU's commitment to achieve a successful result on other issues on the DDA trade and environment agenda.

Ninth, the Council stressed that negotiations under way on the Dispute Settlement Understanding remained of considerable importance for the WTO system and that a mandate for continuing those negotiations should also be confirmed as soon as possible.

Tenth, the Council noted that Cancun should provide the impetus for further progress on several other issues in the Doha work programme apart from those requiring formal decisions. In this respect, the Council attached particular importance to the negotiations on anti-dumping and subsidies, and expressed support for an ambitious outcome in these areas within the single undertaking.

Eleventh, the Council recalled the importance of careful preparation with the European Parliament of the EU's position at Cancun, and the need to stay in close touch with the representatives of the Parliament during the Cancun conference itself.

Twelfth, the Council recalled the importance of a substantive dialogue with representatives of civil society before and at Cancun.

Finally, the Council noted with satisfaction that the Commission would remain in close contact with Member States' delegations, largely through the Article 133 Committee, during the final preparatory process in Geneva in the coming weeks. The Council confirmed that it would meet in special session as necessary throughout the conference to take stock of developments in the final stage of the negotiations, and to provide the Commission with any further necessary guidance as the Conference progressed."