

Outcome of the WTO Ministerial, European Parliament resolution on the Fifth Ministerial Conference of the World Trade Organisation in Cancun - Strasbourg, Thursday, 25 September 2003

The European Parliament,

- having regard to its resolution of 3 July 2003 on preparations for the Fifth WTO Ministerial Conference in Cancun¹,
- having regard to its resolution of 18 November 1999 on the communication from the Commission to the Council and the European Parliament on the EU approach to the WTO Millennium Round², its resolution of 15 December 1999 on the Third Ministerial Conference of the World Trade Organisation in Seattle³ and its resolution of 13 March 2001 containing the European Parliament's recommendations to the Commission on the WTO Built-in Agenda negotiations⁴,
- having regard to the results of the Fourth WTO Ministerial Conference Declaration adopted on 14 November 2001 in Doha, and having regard to its resolution of 13 December 2001 on the WTO meeting in Qatar⁵,
- having regard to its resolution of 12 March 2003 on the General Agreement on Trade in Services (GATS) within the WTO, including cultural diversity⁶, its resolution of 12 February 2003 on the WTO agricultural trade negotiations⁷, its resolution of 4 July 2002 on the Commission communication to the Council, the European Parliament and the Economic and Social Committee entitled 'Promoting core Labour Standards and Improving Social governance in the

¹ P5_TA(2003)0336.

² OJ C 189, 7.7.2000, p. 213.

³ OJ C 296, 18.10.2000, p. 121.

⁴ OJ C 343, 5.12.2001, p. 96.

⁵ OJ C 177 E, 25.7.2002, p. 290.

⁶ P5_TA(2003)0087.

⁷ P5_TA(2003)0053.

context of globalisation⁸ and its resolution of 25 October 2001 on openness and democracy in international trade⁹,

1. Regrets that WTO members missed the opportunity to implement the Doha Development Agenda and establish a framework for its conclusion by 2004; fears that this will be to the detriment of the world economy but not least to the developing countries; stresses, however, that the Doha Development Round continues and confirms that the EU offer in the negotiations still stands;

2. Welcomes the new level of organisation and assertiveness of developing countries, which offers the prospect of the emergence of a new and fairer world order and, through the creation of a small number of negotiating blocs, potentially facilitates the task of reaching agreement among the WTO's 148 members;

3. Believes that a deal was within reach at Cancun, which would have brought benefits to developed and developing countries and LDCs through reduction and elimination of trade-distorting farm subsidies, fairer access to industrial, agricultural and services markets, and progress on multilateral rules to ensure fair play and to safeguard non-trade concerns such as environmental and food safety standards;

4. Continues strongly to support multilateral trade agreements as the best mechanism for promoting free and fair trade to the benefit of all, not least for the developing countries; warns WTO members against the risks for developing countries, and especially less developed countries, inherent in unilateral trade policies; stresses, therefore, its commitment to the open and liberal multilateral trading system of the WTO; calls on the United States to rally to the EU and its efforts to save the multilateral approach in international trade politics;

5. Emphasises the need now for confidence-building measures in order to revive the negotiations; calls therefore on the WTO to put into operation the agreed measures on "implementation issues" and to reach early agreement on the remaining issues; believes that, to forestall a drift towards bilateralism, a new

⁸ P5_TA(2002)0374.

⁹ OJ C 112 E, 9.5.2002, p. 326.

impetus must urgently be given to the Doha Round through the convening of a special Ministerial Conference in early 2004, with the task of advancing the implementation of the Doha Development Agenda; and calls upon the Commission to take an early initiative to that effect;

6. Believes further that the experience of Cancun demonstrates the need for far-reaching reform both of the WTO itself and of its place in the wider framework of global governance;

7. Considers that reform of WTO rules, working methods and decision-making procedures is needed to create a more efficient, rule-based, open and inclusive organisation, and calls on the Commission, after consultation with Parliament, to bring forward proposals to that effect;

8. Notes also that Cancun highlighted the difficulty of finding solutions within a purely WTO framework to the problems of poor countries in coping with the transitional impact of trade liberalisation and responding to the opportunities for export growth; and recognises that Cancun saw the emergence of a new alliance of developing countries, uniting the ACP, the African Union and LDCs, for whom this issue was a central problem;

9. Considers that this underlines the need to build a closer relationship between the WTO and other international organisations such as the UNDP, the ILO, UNEP, the MEA secretariats and the World Bank, as an essential step towards a different and more sustainable model of globalisation, in which global institutions work together in the service of the common objectives set out for example in the UN's goals and the ILO core labour standards;

10. Warmly welcomes the agreement reached in Geneva on affordable access to medicines; notes, however, the concerns expressed that rules designed to prevent abuse could obstruct the effective operation of the agreement; calls on the Member States to make a clear commitment to the expeditious authorisation of the necessary licences on request; and stresses that access to medicines is only part of the solution to the difficulties faced by developing countries' health systems;

11. Expresses particular regret at the failure in Cancun to agree on the abolition of tradedistorting subsidies, particularly the USD 3.5 billion subsidies paid to US cotton producers, which threaten the livelihoods of 10 million African cotton farmers; welcomes the EU's willingness to take on board the cotton initiative of Mali, Burkina Faso, Chad and Benin, and calls on the Commission, in close cooperation with the ACP and other developing countries, to table proposals for an early agreement on a fair deal for cotton producers, as well as to press the USA to respond positively with an early reform of its cotton sector;
12. Welcomes the flexibility demonstrated by the EU's negotiators in moving towards developing country positions on the key issues of agricultural trade, investment and competition rules; and recalls that its abovementioned resolution of 3 July 2003 expressed doubts about the existence of the necessary support among WTO Members for the launch of negotiations on the Singapore issues;
13. Underlines the importance of trade facilitation and transparency in public procurement for enhancing trade among all countries, notably developing countries; also supports, however, the Commission's willingness to show flexibility on these issues in the negotiation procedure, if this can produce a balanced result;
14. Notes that the reform of the Common Agricultural Policy proved to be the right starting point for discussions, and calls on other major players, notably the USA, to undertake similar ambitious reforms;
15. Considers that the last CAP reform laid a solid foundation for a flexible EU negotiating position; and requests the Commission to continue its planned reform of the CAP with a view to eliminating trade-distorting subsidies and in time to find a formula which maintains the multi-functional character of agricultural activity and supports the way of life and employment in agricultural areas;
16. Insists that the negotiations must remain within the Doha Agenda and that the EU must strongly defend its position on geographical indications;
17. Believes that capacity building must be expanded to improve opportunities for developing countries, especially LDCs, and to rebuild trust;

18. Welcomes the fact that all three institutions acted with great unity in Cancun; expresses its satisfaction with the way the Commission handled the negotiations; and commends the Commission for keeping Parliament fully informed during the Ministerial Conference, including discussing the EU's negotiating strategy; regrets, however, the formal status of the Members of European Parliament at the Ministerial Conference and requests that this be urgently reviewed;

19. Notes with satisfaction the parliamentary conference on the WTO which took place during the Fifth Ministerial Conference; notes that 300 parliamentarians from around the world took part, and that it unanimously adopted a declaration calling for parliamentarians to be more closely associated with the WTO negotiating process;

20. Continues to call for enhanced democratic accountability and openness of the WTO and for the creation of a WTO Parliamentary Assembly;

21. Calls on its President to set up a small reflection group within Parliament to consider the WTO reforms necessary for maintaining the multilateral character of the world trading system;

22. Undertakes to organise, at the beginning of 2004, in cooperation with the Interparliamentary Union, a new parliamentary conference on the WTO with a view to discussing further steps in both the WTO trade negotiations and reform of the WTO;

23. Instructs its President to forward this resolution to the Council, the Commission, the parliaments of the Member States and the accession states, and the Director-General of the WTO.