WORLD TRADE

ORGANIZATION

WT/MIN(03)/ST/5 10 September 2003

(03-4744)

Original: English

MINISTERIAL CONFERENCE Fifth Session Cancún, 10 - 14 September 2003

EUROPEAN COMMUNITIES Commission

<u>Statement by Mr Pascal Lamy</u> <u>Commissioner for Trade</u>

It is nearly two years since we met, in the shadow of 9/11, and a sluggish world economy. The responsibility we shouldered in Qatar was to launch new round of global trade talks for 15 years, and to commit to conclude by the end of 2004. We showed - and I think it is something of which we should be intensely proud - that the international community can respond to a major political imperative with flexibility and solid practical measures.

The need for the timely and successful conclusion of that round is if anything even clearer today. The overall economic situation is no better, and indeed one of the paradoxes with which we are wrestling is that while slow growth makes our job as negotiators more difficult, our success, in delivering the results, is more necessary than ever.

But let us not forget that we called this new Round the Doha Development Agenda. Cynics say that this is simply post-Seattle spin, a wolf masquerading in sheep's clothing, the re-branding of a discredited process. If so, I wonder why developing countries have entered into the process with such energy and commitment, something which I welcome with great enthusiasm. The DDA has clearly become a genuine process to address the needs and concerns of all WTO members, including developing countries, and this has already created the conditions for a new approach in the treatment of development issues.

Just take, for example, the deal on access to medicines. Vital if we are to show that the WTO and the multilateral system is not just about mindless liberalization, or kow-towing to globalization. Of course, we have much more work to do to ensure delivery in practice, on the ground. But the deal, however long we waited for it, shows that the WTO can and will put people before markets.

I think most delegates to this conference would also agree that we have taken the development dimension seriously across the board. We have made real progress on the issue of implementation, and we are on the way to re-vamping the application of special and differential treatment, both in a series of specific measures, and of course SDT appears in each and every one of the individual market access negotiations. And when it comes to committing money to Trade Related development assistance, the European Union is ready to put its money where its mouth is - our total contributions amount to around half the total commitments for 2001-2002 recorded by the WTO.

But let us recall that the goal remains: the integration of developing countries into the world economy. In years to come, they will not thank us if we only manage to create a two tier membership in the WTO. So let us continue down this path of integration and avoid the creation of a group of Members who have second-class responsibilities, but also only second-class rights.

That is why I am so pleased that we have made real progress, at last on the accession of least developed countries into the WTO. This year in Cancún, we will welcome the entrance of Cambodia and Nepal and hope to move ahead on other important negotiations, such as Russia, Vietnam and Saudi Arabia, where the EU has just completed its bilateral negotiations.

But what do we have to do specifically in Cancún? To put it simply, we need to make practical progress on the series of tough issues we identified in the Doha Declaration. From agriculture to industrial tariffs, from environment to the so-called Singapore issues. We all know what they are. On agriculture, we have shown repeatedly our willingness to look for agreement, from the ambitious proposals we put on the table in January, to the agreement we concluded - at the urgings of our partners - with the United States over the summer. On the so-called Singapore issues, we have shown understanding and indeed flexibility across the board on all four issues in order that the negotiations can be launched at this meeting, and we are still ready to listen to your concerns. On non-agricultural market access, we have come quite a long way, but there is still some work to do to lock in a text which must be sufficiently ambitious but agreeable to all.

Finally, and perhaps most of all from the political perspective, given that this round will continue to focus principally on development, we should avoid trying to re-create the confrontational north-south atmosphere of the 1970s and 1980s. It would be a great mistake to see the situation this way, and at odds with the reality. For there are many lines of division in our debates, many south positions, many north positions. On geographic indications, for example, the EU shares a similar point of view to India. On trade defence, the initiative comes from Asia to find new disciplines, but for our part we are ready to look at how this can be achieved. On the question of the disclosure of origin of genetic resources, the proponents - India, Brazil and China - have the active support of the EU and others. On the dispute settlement review, the EU, Costa Rica and Jamaica all agree on the need to increase the rights of third parties. And last but not least, on agriculture, our *position de base* is very supportive of developing countries, where we have been the first to pioneer the notion of the Development Box, for instance.

Because what, in a word, characterizes the European Union's position at this Conference, and in the Doha Development Agenda as a whole? In a single word, openness. Open to address the concerns of others on the substance of these negotiations. Ready to go the extra mile to bring us to agreement. I hope we can get to agreement this week on several of the outstanding issues before us, and believe we can.