
BRUSSELS SESSION OF THE PARLIAMENTARY CONFERENCE ON THE WTO

24-26 November 2004

Organised jointly by the Inter-Parliamentary Union and the European Parliament

DECLARATION

*adopted on 26 November 2004**

1. We, parliamentarians assembled in Brussels for the annual session of the Parliamentary Conference on the WTO, welcome the July 2004 decision of the WTO General Council concerning the Doha Work Programme. The July package has raised hopes that the impasse of the Ministerial Conference in Cancún has finally been overcome, with a consensual roadmap now in place for moving the multilateral trade negotiations forward.

2. While we are encouraged by the renewed momentum, numerous grey areas must still be clarified in the negotiations in order to ensure a positive end result. Significant differences mark the positions of WTO Members on issues currently in dispute. Determination and political will to fulfil commitments are therefore required of all parties in order to bring the Doha Round to a successful conclusion. Parliaments bear a central share of responsibility in this respect.

3. We reiterate our commitment to the promotion of free and fair trade that benefits people everywhere, enhances sustainable development and reduces poverty. As legitimate representatives of our populations, we shall continue to oversee WTO activities and promote their effectiveness and fairness, keeping in mind the original objectives of the WTO as set out in the Marrakesh Agreement.

4. To be successful, WTO negotiations must involve all members of the Organization at all stages, and their overall results should permit consistency between national policy objectives and faithful adherence to international obligations. To that end, there should be a genuine balance of benefit for all WTO Members and acceding countries, ensuring fair and equitable relationships between exporting and importing countries as well as between developed and developing countries, with special emphasis placed on ensuring real gains for developing countries, and especially the least-developed countries (LDCs).

5. We stress the importance of lower industrial tariffs in particular to provide improved market access for developing countries, especially LDCs, better market access for non-agricultural products, the reduction or, as appropriate, elimination of tariff and non-tariff barriers to trade in environmental goods, and trade facilitation. Clear progress in these areas is needed to help the world trade system to function better and more effectively.

6. We welcome the July decision on agriculture, and call on WTO Members to continue working on the three pillars, namely:

- the elimination of all forms of export subsidies;
- a substantial reduction in trade-distorting domestic support; and
- market access.

* The delegation of Venezuela expressed a reservation regarding the text of the Declaration as a whole and its section dealing with trade in services in particular.

7. We are keenly aware of the existence of complex areas in **agriculture negotiations** that are of direct concern to producers and consumers, exporters and importers alike. The negotiations reflect the critical importance of agriculture to the economic development and growth prospects of the majority of WTO Members and a real step in the right direction, which has to be further elaborated. The Framework for Establishing Modalities in Agriculture, adopted by the WTO General Council on 31 July 2004, fills in some details in this regard, but leaves most of the hard decisions to future negotiations, with no specified deadlines. There is a fundamental need to define and provide a framework for the notion of "sensitive product" and for the issues of special interest to developing countries, such as the establishment of special safeguard mechanism and the designation of special products by developing countries, as described in the 31 July Agreement. There is also a need to discuss further sectoral initiatives, differential export taxes and geographical indications.

8. Clear progress in these areas is needed to help the world trade system to function better and more effectively. We note in this regard that the so-called "peace clause" has expired, and that WTO Members are now free to exercise their right to challenge breaches of the rules. We believe that recourse to such challenges should be used sparingly, with the aim of encouraging the withdrawal of export subsidies while avoiding the introduction of further tension and distractions at this stage of the negotiations.

9. We urge the WTO and its Members to make information available as extensively as possible on national commitments in the agricultural sector that extend over the timeframe of these negotiations and have a direct bearing on the three reform pillars, as set out in the Framework, namely market access, domestic support and export competition. This information would provide a transparent backdrop for all Members, but especially developing countries.

10. We attach the highest importance to the pressing needs of developing countries dependent on the export of tropical agricultural commodities, notably sugar, bananas and cotton. Each of these has been the subject of disputes in the WTO. Consideration should also be given to the situation of developing countries dependent on export incomes from coffee, cocoa, pineapple, rice, and other monocultures. Strict attention should be paid to the specific trade, finance and development needs of developing countries, as enshrined first in the GATT and now in the WTO.

11. At each step of the ongoing negotiations, including those on regional trade arrangements, the concerns of developing countries in respect of poverty reduction, food security and sustainable livelihoods must be kept at the forefront. In order to enable the coexistence of the diverse agricultural systems of various countries, non-trade concerns of agriculture, which include food security, land conservation, revitalisation of rural society and rural employment, as well as the issues of sustainable forestry and fisheries, must also be addressed in a satisfactory manner.

12. Hunger and famine are still ravaging the poorest people in many countries. The issues of malnutrition and hunger deserve sharper focus in the negotiations on export competition. We emphasise in this regard on the one hand the responsibility of developed countries, which produce and export the bulk of food commodities, and on the other hand the need, and indeed the obligation, for developing countries to promote in earnest bold, proactive rural development policies. The solution to food security problems may lie in seeking a complementary relationship between developed countries, which should endeavour to support

local production and regional markets in developing countries, and the developing countries themselves, which should set up the necessary production and marketing arrangements for agricultural commodities, with a view to gradually meeting their food needs. The special negotiations for which disciplines and commitments are to be negotiated must be clear, flexible and provide food-importing countries with the necessary leeway to protect and promote national food security. There is also a need to take a close look at the Food Aid Convention, the FAO consultative mechanism for surplus disposal and the FAO/WHO Codex Alimentarius.

13. We welcome the fact that the Framework pays special attention to the LDCs. We support the proposal that the developed countries, and those developing countries that are in a position to do so, should provide duty-free and quota-free market access for products originating from the LDCs.

14. We note with satisfaction that trade in cotton was given prominence in the Framework, and that a subcommittee on this subject has been established by the WTO and tasked to "achieve ambitious results expeditiously". We call on all parties concerned to ensure that these results reach the farmers in the developing countries in a timely manner.

15. Given the growing importance of the services sector in all economies and the expansion of **trade in services**, which involves the movement of natural persons and the cross-border provision of services, we acknowledge the decision of the WTO General Council to approve a number of recommendations aimed at advancing the negotiations on trade in services, the overall pace of which remains disappointing. Revised offers must be submitted by WTO Members in this regard by mid-2005, with the aim of satisfying the concerns of all countries concerned.

16. At the same time, caution must be exercised in the liberalisation of trade in services, especially services that relate to basic human rights and basic and essential needs such as those that provide for public health, education, culture, and social services. Liberalisation of such services should not be imposed by wealthier countries, nor should it be invoked in negotiations on export subsidies. This approach is consistent with the key principles of the General Agreement on Trade in Services (GATS), which allow for flexibility in opening services sectors to competition and for the exclusion of some sectors in whole or in part. Longer time frames for the implementation of market access will provide the necessary measure of margin for those developing countries where institutional arrangements are weak and negotiations on completing the rules are still unfinished. We also believe that every country has the right to protect its cultural diversity and to conserve and develop public services.

17. We stress the need to continue making progress in the area of trade-related aspects of intellectual property rights (TRIPS) and taking action against counterfeiting and piracy by promoting fair forms of competition. We underline the importance of providing technical assistance to developing countries in order to implement the TRIPS rules. Special attention should be given to the protection of biodiversity and access to essential low cost medicines.

18. We are convinced that **trade-related capacity-building**, provided through appropriately delivered technical assistance, should remain an indispensable element of the current negotiations. Increased awareness leads on the one hand to more active participation by all WTO Members in the negotiations, and on other hand to a better understanding of the relevant issues across the widest national spectrum, including members of parliament. This makes the outcome of trade negotiations more likely to be accepted.

19. We note in this regard that the commitments made at the Doha Ministerial Conference in 2001 are being followed up through increased activities by the donor countries, the WTO and other multilateral bodies. We encourage all parties to do more to build the essential human, institutional and economic capacities required to prepare for, negotiate and sustain the implementation of the WTO rules and disciplines. Special attention should be devoted in this regard to the needs of parliaments, particularly in developing countries, which should become active partners in trade agreements.

20. We are convinced that parliaments can make substantial contributions to the WTO negotiations. Parliaments embody the sovereignty of the people and can legitimately contribute to expressing the will of the people in international forums and promoting popular support for international agreements. We call on parliaments and their members to help raise citizens' awareness and understanding of trade negotiations and the WTO. We urge governments and parliaments to engage in a regular dialogue so that the latter can effectively exercise parliamentary oversight of the international trade negotiations and their follow-up.

21. We decide to hold the next session of the Parliamentary Conference on the WTO on the occasion of the Sixth WTO Ministerial Conference, scheduled to take place in Hong Kong from 13 to 18 December 2005. We call upon all WTO Members to include members of parliament in their official delegations at the Ministerial Conference. We also call on our respective governments participating in that Conference to add the following paragraph to the final declaration: "The transparency of the WTO should be enhanced by associating parliaments closely with its activities."

22. We instruct the IPU and the European Parliament to take the steps required, in the Steering Committee, to ensure that this declaration is followed up in the WTO Secretariat.