# WORLD TRADE

## **ORGANIZATION**

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#### **EUROPEAN COMMUNITIES**

#### Commission

### Statement by Mr Pascal Lamy, Commissioner for Trade

- 1. Let me begin by thanking Qatar and His Highness the Emir Hamad Al Khalifa Al Thani for the warmth of our welcome here in Doha, and Director-General Moore and all the WTO Secretariat for all their hard work in the past two years and the forthcoming four days ...
- 2. Forgive my slight sense of *déja vu*, but it feels less than two years since we met for the Third WTO Ministerial Meeting. A meeting which began so full of hope for a new Round. And yet, how we failed, and how dismally, in Seattle. We failed, first and foremost, to put development where it belongs right at the heart of the multilateral trading system. But more than that, we succeeded neither in addressing the concerns of developing countries on implementation, nor those of civil society on trade and environment. We advanced neither classical trade liberalization, nor the so-called Singapore issues. We made successfully neither the case for observance of core labour standards, nor reassured developing countries of our lack of protectionist intent. And of course we neither launched a Round, nor set the WTO on the path to much-needed reform.
- 3. Result: everyone slunk homewards empty-handed. It <u>can</u> be smart politics to ensure that each of your constituencies is furious with you. But sometimes equality of misery is just bad policy masquerading as smart politics.
- 4. What perhaps most unites all the Ministers here is an absolute determination to learn from the mistakes of Seattle. The WTO cannot afford a second failure. But our shared determination to avoid another Seattle is both our secret weapon this week, and the same time perhaps our Achilles heel. Some delegations play on everybody else's risk aversion to try to force others to adjust their positions. But we will only succeed in Doha if there is flexibility, on the part of all participants.
- 5. For our part, the EU has consistently demonstrated its flexibility over the last two years. Briefly, one or two examples: on investment and competition, we offer others the chance to opt in or out of the negotiations, and the results. On trade and environment, we are only seeking negotiations to clarify how the rules work, we are fully ready to build in anti-protectionist safeguards, and we are looking at how to integrate fish subsidies into the environment negotiating mandate. But perhaps most of all, we have moved an enormous distance on the question of implementation: we are ready even to countenance a renegotiation of certain areas as part of a new Round of talks. Of course, we have our tough points, too, such as agriculture, but even there I think it is recognized that we are ready to advance substantially on Article 20.
- 6. Given how much we and others have done, it is a dangerous game to push others always to be first to show flexibility. It is not a game we should play. There is too much at stake for that. Not just the immediate success of this meeting or the future of the WTO. Not just the immediate

prospects of the world economy, although the world is clearly searching desperately, and even more of course since the tragic events of 11 September, for the good economic news that launching new negotiations would bring.

- 7. But perhaps most of all, we need to keep our eyes on the bigger picture. We cannot and should not rely simply on launching new negotiations in the WTO, although this is a critical element. We need to make this week the first element in a virtuous sequence, which I have dubbed D-M-J. First stop: Doha, for the Round. Next stop: Monterrey for improved development finance. Third stop: Johannesburg for sustainability. Particularly in the post-11 September environment, we need to use all the multilateral tools at our disposal if we are to make real progress towards sustainable development.
- 8. But returning back to Doha, we must also ensure that we launch negotiations which bring short- and long-term systemic benefits, which are capable of conclusion within a short, preferably three-year time-scale. And we must also find the right mix of trade and other policies consider the passion surrounding our debate on TRIPS and Access to Medicines, which has risen so dramatically to become a clearly defining issue for us this week, and rightly so. And consider the need to integrate sustainability into the work of each and every negotiating group, so that we can take trade, support for the environment, and of course development forward together.
- 9. And returning back to the launch of those negotiations, let me repeat. The EU has listened and responded over the last two years. This has translated, as a result, into consistent flexibility over the last two years since we last met. We are now looking to others to share the burden of flexibility over the coming week. Let's get down to work quickly and in this respect, let me briefly say how glad I am that the Committee of the Whole, which started its work a few short minutes ago, is going to be the focal point of our efforts. That is as it should be.