

**« IS THE WTO A PRIORITY FOR  
EUROPEAN BUSINESS? »**

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# **Strong support for the DDA**

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- **Improve European companies' access to world markets**
- **Make EU companies more competitive by increasing foreign competition in the Enlarged EU-25 Market.**

# What are the results of the DDA?

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## **Cancun was a flop**

- **Opposition over agriculture & the Singapore Issues**

## **Post-Cancun has reduced the DDA**

- **Goodbye investment, competition and transparency in government procurement**
- **No commitments from ACP countries in NAMA/Agriculture**

# What are the results of the DDA?

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## What's left for business?

- **Services?**
- **NAMA (in emerging markets, only?)**
- **Trade facilitation?**

# What's Wrong With the DDA? Too much politics

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## Favorite Topics in Geneva

- **The EU: “Collective preferences”**
- **The US: Congress says no**
- **India: Just say no!**

# **What's Wrong With the DDA?**

## **Too much politics**

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### **Favorite Topics in Geneva (con't)**

- **Brazil: Agriculture but nothing else**
- **China: Everybody commit but me**
- **ACP: Save my tariff preferences**

# What's Wrong With the DDA?

## Too little liberalization

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### **NAMA Negotiations up to now**

- **No ambitious tariff formula**
- **No commitment to sector liberalization**
- **Nothing on NTBs**
- **Exceptions for anyone who 'cries' about the 'negative' impact of trade liberalization**

# What's Wrong With the DDA?

## Too little liberalisation

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### **Agriculture: Strategic finger pointing**

- **The EU took 3 years to agree to eliminate/ reduce trade distorting subsidies**
- **The US is no longer a leader on agriculture**
- **Developing countries rightly demand market opening but have little to offer in exchange**

# **What's Wrong With the DDA?**

## **Too little liberalization**

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**Services: why make an offer when you can do nothing?**

- **Close to 100 countries have not made an offer after 3 years**
- **Hardly any countries have made serious offers**
- **Does anybody (other than business) care?**

# What's Wrong With the DDA?

## Too little liberalization

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### **Investment is the devil!**

- **Developing countries want more investment**
- **Developing countries don't want an investment agreement**

# What's Wrong With the DDA? Not Enough Rule-Making

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## Anti-dumping: united as usual!

- Japan wants more rules
- The EU wants better implementation
- The US doesn't want to talk about AD
- Improved Rules could bring real benefits to all countries

# A warning shot to negotiators

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**BUSINESS CAN'T WAIT FOREVER!**

**In 3 years the DDA has:**

- **Dropped investment, competition and transparency in government procurement**
- **Made limited progress in agriculture**
- **Made no progress in NAMA, Services, Antidumping, or the rest**

# Is Bilateralism an alternative to the DDA?

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## Targets for Governments:

### ➤ Geopolitics

- EU-GCC
- India-Brazil
- US-Morocco

## Targets for Business:

### ➤ Economics

- EU-US FTA?
- EU-China FTA?
- EU-Russia FTA?

# How to save the DDA?

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## **NAMA (more ambition is needed!)**

- **Reduce all tariffs to a maximum of 15% with a compression formula**
- **Bind all tariffs**
- **Possibility for sectoral negotiations**
- **A Strategy for removing NTBs**

# How to save the DDA?

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## Services

- **Make an offer**
- **Tell us what you want from the EU (mode IV)**
- **Make an improved offer**

# How to save the DDA?

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## **Start negotiating in trade facilitation!**

- **Everyone agrees : trade facilitation brings benefits**
- **Large traders should be able to make serious commitments**
- **LDCs are not expected to computerize overnight but to contribute**

# How to save the DDA?

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## **Agriculture (the decisive issue!)**

- **Eliminate all forms of trade distorting subsidies in all countries**
- **Serious negotiations on non-trade distorting support**
- **Serious negotiations on market access**

# How to save the DDA?

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## Development

- **Is SDT compatible with development?**
- **Do preferences help development?**
- **Is south-south trade necessary?**
- **Is the WTO a guarantee for development?**
- **The EU is prepared to open its market to the poorest countries – Is this enough?**

# How to save the DDA?

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**Start negotiating on the rest of the issues!**

- **We are committed to negotiations on all issues from the environment to anti-dumping/rules.**
- **European business is ready to liberalize, are you?**

# How to save the DDA?

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## Back to Basics

- **Economic Rationale**
- **Don't overload the agenda**
- **Politicization of issues**
- **Accept the rules-based trading system and comply with DSU rulings**

# Conclusion

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## Still no real alternative to the WTO

- Liberalization and rule-making
- The DDA must succeed for economic reasons
- The risks of bilateralism