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COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

Resolution 1396 (2004)[1]

The Doha Development Agenda: world trade at a crossroads

Parliamentary Assembly

1. The Parliamentary Assembly recalls its Resolution 1269 (2002) on managing globalisation: the role of the World Trade Organization in the world economy, in which it welcomed the world community's agreement in 2001 to pursue its efforts towards more open world trade by means of negotiations on a broad range of issues under the World Trade Organization's (WTO) Doha Development Agenda. It emphasises the need for multilateral trade rules that ensure free and fair trade.

2. The Assembly warmly welcomes the WTO's agreement reached in Geneva in July 2004 on a framework package for the pursuit of the Doha Development Agenda, thereby overcoming the setback suffered at the Cancún Ministerial Conference in September 2003 and rendering possible a final agreement at the WTO ministerial conference expected to be held in Hong Kong in 2005. The Geneva success is all the more noteworthy since any failure in these endeavours could have serious consequences for developed, emerging and developing economies alike, in the form of economic tensions potentially spreading to the political arena and affecting world peace and prosperity.

3. In a sign of progressing world interdependence, world trade grew by nearly 5% in 2003 and is expected to rise by an additional 8% in 2004 – raising the prospect of increased prosperity and new employment opportunities in large parts of the world. There are growing indications, however, that, in the absence of a successful conclusion of the current Doha negotiations, such increases will be harder to come by in future, since present WTO rules – essentially those concluded under the Uruguay Round a decade ago – are less and less in alignment with current economic, technological, trade and other developments. The result has been an increasingly sub-efficient world trade order characterised by widening trade distortions, stalled growth and rising international discord. A new agreement which would permit the participating countries to draw more benefits from their competitive advantages is therefore urgently needed.

4. Europe, Japan and the United States, which together count for two-thirds of world trade, bear a special responsibility for securing success, notably through concessions on agriculture. The Assembly in this context welcomes the agreement reached in Geneva in July 2004 to phase out all agricultural export subsidies and substantially reduce trade-distorting domestic support to agriculture within a reasonable time period and urges the European Union and the United States to present a credible end date as soon as possible. The final agreement should include a timeline for the successive implementation of these commitments and to gradually provide greater access to the markets of advanced countries for agricultural exports from developing countries, many of which have few other means of development from an economic perspective.

5. The Assembly, while noting the persistent difficulties in reaching any agreement on the "Singapore issues" concerning competition, the protection of investment, transparency in government procurement and measures to facilitate trade, notes the limited progress reached in Geneva in July 2004 in this area. A flexible and gradual implementation of the "Singapore issues" may well be the best way forward and will require concessions by emerging and developing economies, also in order to facilitate parallel agreement on agriculture. The Assembly in this context recalls its Recommendation 1646 (2004) on improving the prospects of developing countries: a moral imperative for the world, in which it stressed the importance of transparency and good governance in all countries, the need to reduce technical barriers to trade and the major potential for increased trade between less developed economies.

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1. Assembly debate on 4 October 2004 (25th Sitting) (seeDoc. 10278, report of the Committee on Economic Affairs and Development, rapporteur: Mr Sasi). Text adopted by the Assembly on 4 October 2004 (25th Sitting).

6. The world community is increasingly aware that more intensive trade and economic development must be compatible with efficient environmental protection. The Assembly strongly supports the efforts under way in the WTO to ensure that trade rules take into account the need to protect the environment and that, similarly, environmental protection does not unduly impede trade.

7. The protection of core labour standards, in particular a ban on child labour, has been a source of disagreement between, on the one hand, developed economies which tend to be in favour of their inclusion in the WTO agenda and, on the other, emerging and developing economies which take a more reserved attitude to their inclusion. The Assembly in this context recalls the values enshrined in the United Nations Convention on the Rights of the Child, the European Convention on Human Rights, the Revised European Social Charter and the Charter of Fundamental Rights forming part of the European Union's Constitutional Treaty. The Assembly strongly believes in the need for core labour standards such as those elaborated within the International Labour Organization (ILO) to increasingly inspire world trade rules and in defending them in all contexts, including in the WTO.

8. The Assembly notes the widely felt public apprehension over a perceived lack of democratic scrutiny regarding, and accountability of, international institutions as well as various aspects of globalisation. Against this background, it welcomes the co-operation between the Inter-Parliamentary Union (IPU), the European Parliament and the Parliamentary Assembly of the Council of Europe to ensure greater involvement by parliamentarians in the WTO process. It also calls on national parliaments to pursue and strengthen parliamentary oversight of WTO activities in shaping the multilateral trading system.

9. The WTO's present consensus-based method of decision making has the advantage of being highly democratic and respectful of the wishes of all its members, but it also risks slowing down the process and diluting agreements. If the world is to preserve a multilateral trading system which has served it so well and avoid a retreat to protectionism, bilateralism and excessive trade regionalisation, which would be a backward step, it will need to reform WTO decision-making procedures as soon as the Doha Development Agenda has been successfully concluded.

10. The WTO at present has 147 members and 30 observers. Six Council of Europe member states – Andorra, Azerbaijan, Bosnia and Herzegovina, the Russian Federation, Serbia and Montenegro and Ukraine – are observers and at present engaged in negotiations for membership, which the Assembly hopes can soon become a reality. The Assembly in this context welcomes the agreement in May 2004 between the European Union and the Russian Federation aimed at facilitating that country's membership of the WTO. It believes that Russian Federation membership would be of major benefit both for this country itself and for the world – marking as it would, after China's joining in 2002, a near-universal reach for the organisation. The Assembly also welcomes the efforts of developing countries to organise themselves within the WTO framework through the G-21 and G-90 groupings. The Assembly also welcomes the input into the debate on free and fair trade alternatives to the actual development of world trade, by evolving world and continent-wide movements, which could attract young people especially, such as the World Social Forum and the European Social Forum.

11. The Assembly, in conclusion, calls on Council of Europe member states to pursue the vision, statesmanship and willingness that they, like all their WTO partners, manifested in Geneva in 2004, so that the Doha Development Agenda can be successfully concluded in good time and pave the way for a new era of stability, peace and growing prosperity. There can be no room for complacency when considering the limited time remaining and the vital issues at stake. It is in this context essential that further progress can be reached in lowering industrial tariffs, liberalising services and reducing trade-distorting agricultural subsidies, in order to arrive at a balanced and fair final agreement beneficial to all parties – in consideration of the fact that, in WTO negotiations, "nothing is agreed until everything is agreed".