

Ministers consider new and revised texts

WTO BRIEFING NOTE

This briefing note is designed to help journalists and the public understand developments in the Seattle Ministerial Conference. While every effort has been made to ensure the contents are accurate, it does not prejudice member governments' positions.

Ministers, on 2 December, consulted intensively on revised sections of a Seattle Ministerial Declaration. Two Ministerial Working Groups – on Systemic Issues and on Trade and Labour Standards – met for the first time. The Conference Chairperson, Ambassador Charlene Barshefsky, assisted by the Chairpersons of the Working Groups and Director-General Mike Moore have begun putting the various sections together into one text for consideration of Ministers on the final day of the Conference.

General summaries of today's meetings:

COMMITTEE OF THE WHOLE

2 December, 9-10 am

Chairperson: Ambassador Charlene Barshefsky (US)

Amb. Barshefsky urged Ministers to redouble their efforts towards a successful outcome. She said that the immediate aim now is to produce unbracketed (agreed) text. The Chairpersons of the various Working Groups reported on the progress made so far in their respective areas. There was a brief discussion on the organization of the next phase of Ministerial work.

AGRICULTURE

2 December 1999, 3:35-6:30 pm

Chairperson: Minister George Yeo (Singapore)

The chairman, Brigadier-General George Yeo of Singapore, introduced a new one-page draft on agriculture – the result of lengthy consultations through the night and morning.

He explained how he had organized his consultations and apologized to those who could not participate. He stressed that this was his own draft, not a negotiated document, based on the consultations.

The draft contains some compromise wording which tries to strike a balance between different views on the key issues. Some 60 countries commented. They largely confirmed their existing positions on key issues, for example:

- Integrating agriculture into the mainstream of WTO rules
- The final objective for reducing export subsidies (whether to eliminate or not)
- Market access
- Domestic support
- Non-trade concerns and multifunctionality
- Developing country issues

At the end the Chairman said he would try to amend his draft according to the comments but he warned countries not to raise their expectations too high – because agriculture is such a difficult subject it will be impossible to please everyone.

The draft is now being inserted into a complete draft text for the declaration. Although countries have expressed reservations with various aspects of the draft on agriculture, they can still decide in the coming hours whether to accept it and whether to seek further amendments – but this time in the context of the declaration as a whole.

Ending the meeting, the Chairman said he was walking a tightrope. He was being pulled equally in both directions, he said. The danger was that if he moved one way or another he would fall off the rope. But he observed that the text was only for launching new negotiations. "The new round is where the real battle will begin," he said. If the round is concluded, it will boost global welfare by tens of billions of dollars, he concluded.

IMPLEMENTATION AND RULES

2 December 7 pm

Chairperson: Pierre S. Pettigrew (Canada)

In a brief meeting, the Chairman, Minister Pettigrew of Canada, presented a new text on implementation issues, which he said was his best effort in bridging the sharp differences in this area. He said that one delegation objected strongly to paragraphs on Anti-Dumping, Subsidies and Textiles, and that this delegation had submitted its own proposal. He said that there was a significant gap between this delegation's proposal and the position of most delegations. There were no other statements made.

The new text contains proposed immediate decisions, subjects for negotiations, a new plan of action for the full and effective integration of LDCs into the

multilateral trading system and reinforcement of technical cooperation for developing countries, particularly the LDCs as well as small, vulnerable economies and transition economies.

SINGAPORE AGENDA AND OTHER ISSUES

2 December 1999

Chairperson: Lockwood Smith (New Zealand)

Roughly 45 delegations spoke and positions on all issues remained largely unchanged.

On **TRIPS**, delegations reiterated positions on extending protection of geographical indications to other products. On **Government Procurement**, various positions continued to be maintained. On **Trade Facilitation**, many developing countries are still reluctant to negotiate new rules in the areas covered by this topic; the need for enhanced technical cooperation was stressed. On **Coherence** and proposed **Working Groups**, some developed countries said working groups should all be put under one umbrella, while many developing countries said there was no problem in establishing many, separate groups.

MARKET ACCESS

2 December, am

Chairperson: Minister Mpho Malie (Lesotho)

Questions raised in the consultations held by the Chairman focused on the methodology of tariff-cutting negotiations. A number of delegations are proposing a **common approach**. Unlike in the Uruguay Round where members cut tariffs on a "request-offer" basis, this would be a harmonized approach that would facilitate comparisons of tariff reduction proposals. Another position is using the combination of request-offer and harmonization in the negotiations. Certain major traders are calling a reference in the text to an **effective increase in market access**. The Accelerated Tariff Liberalization initiative for certain product sectors was also raised.

SYSTEMIC ISSUES

2 December

Chair: Foreign Minister Juan Gabriel Valdes (Chile)

Co-Chair: Minister Anup Kumar (Fiji)

Elements raised by member governments in this discussion concern:

- de-restriction of documents
- WTO organizational structure to improve transparency and decision-making,
- improving information flows and
- enhancing public understanding of and participation in the workings of the organization.

In addition to paragraph 77 of the 19 October text, there are now four proposals on the table. They are from Mexico, the EU, the US and Norway.

The Mexican and EU proposals received widespread support. The US proposal, which calls out for establishing more formal channels of communication between the WTO and NGO Community and the establishment of an advisory body, received some support from the EU, Norway, Japan and Switzerland. A number of delegations questioned the role of NGOs in an inter-governmental organization.

TRADE AND LABOUR STANDARDS

2 December 1999

Chairperson: Vice-Minister Anabel González (Costa Rica)

This working group was set up today to discuss proposals for creating a labour standards working group within the WTO or a body operated jointly by a number of international organizations to look at the issues. Opinions differed, with a number of developing countries opposing the creation of either type of body.