

EU statement at the Trade Negotiations Committee meeting, 21/01/15

Statement by Ambassador Angelos Pangratis

- Mr. Chairman, thank you for your report and your efforts.
- I agree with your assessment on the objectives of our work programme and for MC10. I want to be brief and to recall some principles of the EU's thinking at this important moment.
- Process-wise, the experience from last year clearly demonstrated the need for horizontal discussions which will steer the work of the negotiating groups and, when needed, address questions which the negotiating groups cannot properly address. At the same time it is crucial that technical discussions in the various negotiating groups move forward unhindered as it is in these groups that the technical expertise lies. The Director General has asked all of us to clearly state what our expectations are: for the EU, it is crucial that all issues move forward in parallel and that a genuine effort is made to engage constructively in discussions. Without this engagement it would be impossible to reach a deal. We need to be frank early on in this discussion:
 - there will have to be a balance between the various negotiating areas and within them;
 - an ambitious outcome in agriculture will only be possible with an equivalent effort in NAMA;
 - and focussing on agriculture, it will be difficult to envisage an outcome in market access if export competition and domestic support do not follow.
- We are all aware of the issues we have on the negotiating table. What can be achieved on each of these issues needs to be considered in a realistic way and carefully in view of today's global economic landscape and taking account of the



European
Union

MISSION TO THE
WORLD TRADE
ORGANIZATION

GENEVA



development objectives of the Round, which need to be adhered to.

- It is clear that agriculture is a central element of these negotiations and the EU will certainly not shy away from engaging constructively as long as others do the same. Indeed, the EU has undertaken strenuous internal reforms to ensure that it can contribute to a comprehensive deal based on the overall principles of simplicity, realism and doability.
- Export competition is a case in point: the EU will be able to consider a far-reaching outcome, but only within a comprehensive DDA package and if there is full parallelism regarding all export competition measures. We cannot have a situation where certain types of subsidies are prohibited, while others continue to thrive. Whatever we do in this area, like in all other areas of this negotiation, we need to do it right, for all members.
- Similarly on domestic support, the EU is ready to advance, but again we all need to ask what exactly do we want, what can we contribute and what will help strengthen the multilateral system. We also need to constantly have in mind our obligation to find a permanent solution on the public stockholding issue, which for all practical purposes will have a close link to this pillar of negotiations.
- On agricultural market access, I think that beyond tactical positioning, we all understand that new ideas will be necessary. We tried and failed in 2008 to reach agreement on the basis of a highly complex approach, which combined very demanding commitments with numerous flexibilities and exceptions. Rather than embarking on a path which is sure to lead us to failure again, it would be preferable to explore simpler, more realistic approaches, which could also more easily be reflected in the level of ambition of NAMA.
- Here the focus of our efforts should be on finding an approach to tariff cuts, which reflects today's realities and which prepares the ground for further liberalisation in the future. Having listened to numerous interventions on this subject in past months, it appears that the only feasible way of proceeding is to search for a solution which provides enough flexibility for Members to cater for their sensitivities. Nevertheless, what is crucial is that those Members who demand far-reaching concessions on agriculture market access are ready to put forward equally substantive concessions on NAMA. A proper balance and correlation are key.
- I want to add here to what the DG said: we started first talking about simpler approaches particularly on Market Access many months ago. Our interpretation of simpler approaches comes from the basic idea that some use of averages inject some amount of flexibility for all categories or groups of members that can make a deal easier for each member to accept and in fact can make us collectively better able to reach the maximum realistically doable level of ambition.

- A services outcome also needs to be negotiated in the coming months. Here again, the expected results on agriculture and NAMA set the benchmark: the outcome of the request and offer process signalled at the 2008 Ministerial Conference will not work. The world has changed; and with multiple services-oriented efforts concluded or underway, including the LDC services waiver process, we should agree upfront on elements or principles of the outcome we want to collectively achieve. The EU has submitted ideas on a few key areas where the WTO can add real value today and would be interested in hearing other ideas which depart from the well-known lines.
- As to the remaining DDA issues, not much activity has been undertaken so far, which all the more exemplifies the urgent need to restart technical work. An outcome on GIs will have to form part of the package, if the EU is to ultimately support it. Similarly, on the rules issues, a serious technical effort is needed as this is one of the areas where the WTO and the multilateral system have a real value to add.
- Mr. Chairman, we fully support the way forward you have outlined and welcome your efforts to immediately start a horizontal process. A healthy sense of urgency is needed if we are to deliver a good outcome which saves the credibility of this organisation and allows us to conclude the round in the foreseeable future.