

# EU statement at the Trade Negotiations Committee meeting, 27/04/15

*Statement by Ambassador Angelos Pangratis*

- Thank you and the Chairs of the Negotiating Groups for your valuable reports.
- Mr Chairman, over the last months, we have engaged in ever more detailed discussions on the individual areas of negotiations, with the result that Members now start having a good understanding on many issues of what is and isn't doable. Still, I am worried that some of the important concepts and principles have not yet been fully internalised by all.
- Early on, in the work-programme process, we talked about the need for parallelism, simplification and doability, and we had what seemed to be a common understanding that those Members making far reaching requests on sensitive issues, need to put forward commensurate concessions of their own. While we are seeing ambitious requests being made, the ensuing readiness to contribute with commensurate concessions still seems to be missing.
- In the same vein, it has been clear for a long time that similar and calibrated levels of ambition need to be pursued in the individual pillars of negotiations. In this regard, the question of balance must continue to be at the centre of our attention. Attempting to put together a deal in which high ambition is pursued in certain areas in order to compensate for the fact that nothing or very little is done in others is not a recipe for success; quite the contrary. Overall, this aspect underlines the need of horizontal discussion and inter-pillar trade-offs that you referred to yourself, Chair.
- Similarly, trying to put certain areas before others and promoting sequencing ideas will not help us succeed. While it is clear that agriculture is on everyone's mind and without it there can be no deal, it is equally true that no deal will be possible without the other areas. As difficult as it is, we need to engage on all issues and allow them to advance technically while keeping at the back of our minds that ambition will have to be adjusted and calibrated across all pillars in order to arrive at a final acceptable balance. There should be no misunderstanding on this point: all issues, core and non-core, need to form part of the work-programme and part of the final deal. Anything less will simply not work. In this context, it is positive that work will be restarting shortly in the Rules Negotiating Group on the basis of a technical briefing by the secretariat on all areas of negotiations. The EU firmly believes that the WTO has an extremely important role to play in the regulatory sphere and we will actively engage in preparing calibrated and viable elements for the work-programme. A similar process will be needed on



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NTBs, but also on the TRIPS issues where an open and frank debate will have to take place on what is doable in the context of the work-programme and how to advance on the built-in agenda left over still from the Uruguay Round.

- It is worrying to see however that the need to advance is not yet shared by everyone. Recent discussions on services have shown that while there are many who are ready to engage in a discussion on possible ways forward, there are also those who not only refuse to engage, but also want to prevent others from doing so. This is hardly the constructive and result-oriented approach that is needed 3 months before the deadline for the preparation of the work-programme and 9 months before MC10.
- While the EU is firmly opposed to any notion of sequencing in the limited time before us, we fully understand that many Members want to advance on agriculture. The EU has engaged constructively and in an open and creative fashion in this debate, and has made clear what it expects and what it is putting on the table in order to get a final deal. We welcome for example the degree of convergence that is appearing on export competition and the need for a balanced outcome across the entire pillar.
- The discussion so far has however rightly focused on domestic support, where we have also been clear about our interest and readiness to have an ambitious outcome. This cannot mean however that while some Members would dramatically cut their trade distorting domestic support, others would be allowed to increase their spending to levels never before seen. Trade distorting domestic support is a common concern and everyone needs to contribute to addressing it. Creative ideas have been put on the table, which merit further exploration and eventually more will be needed. Nevertheless, the debates of recent weeks have clearly shown that the best we could collectively hope for in this round would be an outcome which respects current policies, whilst seeking to limit excessive increases in the use of trade distorting measures.
- This, together with further flexibilities that will be needed in order to address the public stockholding issue, will have an impact on all other areas of negotiations.
- Crucially, the approach on agricultural market access will have to mirror the overall direction that is being taken on domestic support. Progress in this area will only be possible on the basis of a simplified approach, which while setting a clear benchmark in terms of tariff reductions, will give Members the necessary flexibility in deciding which tariff lines to cut. Such an approach would ensure an appropriate level of ambition without however necessitating the introduction of complicating factors, which would be disproportionate to the overall approach being taken.
- The approach on agricultural market access will of course have a knock-on effect on NAMA, where averaging would again seem the most promising way of proceeding. It would give a meaningful result while providing Members with flexibility in terms of implementation.
- Mr Chairman, we are steadily approaching a tipping point, which will decide the fate of these negotiations. It is my firm belief that, now more than ever, we all need to focus on the realistic and the doable. We need to be clear in our minds whether we would prefer to get in the near future a deal and to close the DDA with the doable and meaningful results which are within our reach or hold out for something bigger which may however never materialise. The EU has made its choice and is set on doing everything it can to bring the current process to a successful outcome in MC10. We want this organisation to remain an efficient and effective negotiating forum. We hope that others will join us in achieving this objective.