WTO General Council Meeting July 30, 2001

U.S. Remarks delivered by Deputy U. S Trade Representative Peter Allgeier

Chairman Harbinson's Report

- First of all, I would like to express my delegation's appreciation, Chairman
 Harbinson and Director-General Moore, for your outstanding efforts in the past
 several weeks to move us closer to the launch of a new round at the Doha
 Ministerial.
- In particular, we recognize the many, many hours that you -- as well as our own and other delegations -- have devoted to the important but difficult issues of implementation. In addition, of course, you have continued to encourage countries to progress in developing the negotiating agenda for Doha.
- We agree not to get bogged down in debating the details of your Report. Overall, your report to the General Council on the Current State of Preparations for the Doha Ministerial is a balanced, objective assessment of the areas of convergence and divergence among the Members' positions.
- It is clear from your report that significant differences remain on key issues. But our
 collective and individual stakes in resolving those differences are so great that we
 must use your Report to inspire us to review our positions, with an eye to finding
 accommodations with the other Members.
 - As you mention in your Report, "It is not merely the extent of the outstanding differences that is worrying, it is also the apparently entrenched nature of some of these differences". It is essential, therefore, that all countries use the summer break to re-evaluate our positions with officials in capitals.
 - We must intensify our efforts to find common ground on the remaining issues. I assure you that the United States is committed to do exactly that.
 We continue our close cooperation with the European Union as we pursue our common strategic objective of launching a Round at Doha.

- I sense that this cooperation has created some anxiety in various quarters about the possibility of large countries trying to "impose" a solution on other Members. Let me assure you that we recognize clearly that consensus can only be developed by working intensively with all Members.
- Thus, we will continue to work with other trading partners to achieve the launch and we wish to expand our consultations in the coming weeks.

The Agenda for Doha

- While our emphasis correctly should be placed on overcoming the remaining differences, we should keep in mind that there already is a substantial amount of convergence.
- Your Report notes a wide and growing support for enlarging the agenda. This is a
 positive sign, as it offers greater opportunities to meet the interests of the broad
 membership and to provide balance to the negotiations.
- In areas such as non-agricultural market access, services, trade facilitation, and transparency in government procurement, the remaining differences appear quite manageable.
- In the TRIPs Council very constructive work has begun on addressing the important issue of the relationship between TRIPs and access to medicine for life threatening communicable diseases. An important outcome of the Doha Ministerial should be a clear affirmation of the WTO's sensitivity to, and compatibility with, Members' public health objectives. We look forward to the TRIPs Council's discussions on this subject in September.
- Among the so-called Singapore subjects—for example, investment and
 competition policy—proponents of including those subjects in the negotiations have
 begun to clarify their objectives. This is very helpful in re-assuring other countries,
 especially developing countries, who want to understand the implications of
 agreeing to those topics. That process of clarification needs to continue.
- For our part, these clarifications on investment enable us to support a well-defined, modest negotiating agenda which will meet the interests of other Members and interested parties and on whose results we can build in the future. The parameters of such initial negotiating efforts would have to be clearly defined.
- With respect to competition policy, the U.S. sees merit in a modest negotiating agenda of core competition principles of transparency, non-discrimination, and procedural fairness. We also can support consultative and capacity-building efforts

to help countries develop modern competition policies that promote efficient, effective and dynamic markets. As in investment, a negotiating mandate for competition policy must be clear about the parameters for the negotiations, especially with respect to how any obligations based on core principles should be assessed.

- Last week's Special Session on agriculture was constructive, although the gap between Members on how to frame the agricultural mandate at Doha remains wide. The United States continues to support an ambitious mandate for agricultural negotiations. Not only is it in the U.S. interest, but we believe that it also is a critical element in scores of developing countries' efforts to generate economic growth and to improve the welfare of their people.
 - Liberalization of trade is one of the most important tools for poverty alleviation; agricultural trade liberalization is especially important for poor rural societies.
 - We should commit to an ambitious negotiating outcome that results in fundamental agricultural reform, in line with the agreed objective of establishing a fair and market-oriented agricultural trading system. This should be achieved through further reductions in protection and tradedistorting support over a credible period of time.
 - We should conduct these negotiations within the Uruguay Round structure of the commonly known "three pillars" of market access, domestic support and export competition, while taking account non-trade concerns.
- Trade and the environment also has been much discussed in recent weeks. We still have substantial work ahead of us to forge a consensus on how to address that subject in the context of the launch of a new round. Your Report accurately points out that "...there is no inherent policy contradiction between upholding and safeguarding an open, non-discriminatory and equitable multilateral trading system, and acting for the protection of the environment, and the promotion of sustainable development".
 - We all must redouble our efforts to give appropriate meaning to that fact in our preparations for Doha.
 - This should be pursued within the context of Members' shared interest in safeguarding the environment while ensuring that there is no risk of protectionism.
- This is not an exhaustive list of the issues before us. Your Report identifies several others that are of importance to various Members and that have been mentioned

this morning. We take seriously those concerns and will work with interested countries to find appropriate responses to their issues.

Technical Assistance

• It is clear that technical assistance and capacity building are an important part of our agenda for Doha and how we will pursue negotiations. We're pleased to see that delegations have not waited for the Round to begin to take practical tangible steps to respond to countries' needs, for example, in the Integrated Framework and standards area. We believe that delegations should be flexible in their approach and maximizing the wide array of assistance that the WTO and others, such as the World Bank and Inter-American Bank, can provide.

<u>Implementation</u>

- During the past several weeks there has been enormous effort by Members to address the important issues of implementation. The task has proven more difficult than many envisioned. But we shouldn't lose sight of the accomplishments to date, for example in customs valuation, technical assistance in the area of standards, and several other areas. Despite the difficulties, however, we must continue our collective efforts to resolve these issues.
 - In fact, even in these final days before the summer break, countries have been working hard to improve the results from this stage of our work.
 - We recognize that the implementation issues both carry commercial significance and are important for building confidence that the interests of developing countries are taken seriously by the WTO membership.
 - The United States will continue to work with countries to generate positive results on implementation as we proceed with preparations for Doha. We look forward to working with both the other developed countries and the developing countries in our further efforts on implementation.

<u>Transparency</u>

• Under Deputy Director-General Rodriguez, there has been very productive work done on revising WTO rules with respect to de-restriction of documents—an important step toward improving both external and internal transparency for the WTO. Members should act expeditiously to conclude this work as soon as possible, and certainly in advance of the Doha Ministerial. This will contribute to greater public understanding of the operation of the WTO, which we believe also will increase public support.

Conclusion

- We have much work before us, and we have little time left to complete that work.
 But most important, we all have additional accommodations to make to others' interests.
- In the midst of the various differences, we must not lose sight of the goal—which is
 to launch a Round at Doha that offers opportunities for all countries to address their
 essential commercial interests.
 - Given the weakening state of the global economy, we will be unlikely to achieve our respective commercial and economic aspirations in the absence of a Round.
 - Some will weather the storm better than others if we do not launch a Round, but all of us will be worse off without a Round than if we launch it.
- The United States is available indeed eager -- to work with other countries during the summer break to find more convergence so that all of us can move forward decisively in September toward a successful launch in Doha.