

Asia-Pacific Economic Cooperation

> 2005/MRT/005 Agenda Item: X

APEC MRT Statement on the Doha Development Agenda (DDA) Negotiations

Purpose: Consideration Submitted by: MRT Chair



Meeting of APEC Ministers Responsible For Trade Jeju, Korea 2-3 June 2005

MEETING OF APEC MINISTERS RESPONSIBLE FOR TRADE JEJU, REPUBLIC OF KOREA, 2-3 JUNE 2005 MINISTERIAL STATEMENT ON DOHA DEVELOPMENT AGENDA (DDA) NEGOTIATIONS

1. We, the APEC Ministers Responsible for Trade¹, reaffirm APEC Economies' strong support for the multilateral trading system and the WTO Doha Development Agenda (DDA). The DDA negotiations offer a unique opportunity to significantly expand trade, promote global economic growth and foster development. We reiterate our commitment to conclude the DDA negotiations in 2006 in such a way that fulfills the high ambition set out in the Doha Ministerial Declaration.

2. This goal poses a formidable challenge; time is short, and a huge amount of work remains to be done, to which all WTO Members must contribute. We are thus gravely concerned that the progress of the negotiations since July 2004 has not matched our expectations, putting the negotiations seriously behind schedule. We, therefore, commit ourselves to working with a sense of utmost urgency to move the negotiations fast forward and invite all WTO Members to join us in this endeavor.

3. We stress the particular importance of the Sixth WTO Ministerial Conference, to be held in Hong Kong, China on 13-18 December 2005, paving the way for the conclusion of the DDA negotiations. We commit ourselves to producing an ambitious and balanced outcome at the Hong Kong Ministerial, including ambitious modalities for agriculture and non-agricultural market access (NAMA), an ambitious outcome in services, significant and substantial progress in rules and trade facilitation, and integration of the development dimension into all areas of the negotiations.

4. No efforts should be spared to establish a solid basis for a successful outcome of the Hong Kong Ministerial. We commit and direct our officials to make every effort to achieve by July 2005 substantive progress that includes:

- a common understanding on the shape and core elements of the modalities for NAMA, commensurate with agriculture, that can deliver substantial improvements in market access opportunities, including a Swiss formula with coefficients to be negotiated for tariff reduction applied on a line-by-line basis, the principle of binding all tariff lines and making them subject to the tariff reduction formula while recognizing the need to address APEC Members' concerns regarding the treatment of low unbound lines and instructing our officials to find a pragmatic solution, a critical mass approach to developing sectoral initiatives on a voluntary basis, a pragmatic approach to addressing non-tariff barriers, and special and differential treatment for developing Members including less than full reciprocity in reduction commitments;
- a common understanding on the shape and core elements of the modalities for agriculture, including the tiered formula for tariff reduction and treatment of sensitive products with necessary flexibility that will lead to substantial improvements in market access opportunities for all products, the tiered formula for achieving substantial and harmonizing

¹ APEC economies that are not WTO members, Russia and Viet Nam, are negotiating to become WTO members and their support to this stand-alone Statement on the WTO DDA negotiations should be without prejudice to the terms and position of their accession negotiations to the WTO.

reductions in trade-distorting domestic support, the process for eliminating all forms of export subsidies by a credible date to be agreed, and special and differential treatment for developing Members including special products and special safeguard mechanism;

- a critical mass of initial and revised offers in services, for which the APEC economies will lead by example, a framework for a collective assessment thereof with a level of ambition that will lead the way to creating commercially meaningful new business opportunities in sectors and modes of supply of export interest to all Members, particularly developing Members, as well as progress in rule-making aspects of the negotiations;
- the development of a focused process to define the scope and direction of clarification and improvements of rules in preparation for text-based negotiations, as well as a solid roadmap up to and beyond the Hong Kong Ministerial, with a view to ensuring clearer and more predictable trade disciplines;
- the intensification of the works on trade facilitation by identifying the possible elements of a final outcome, based on proposals and comments, that will enable all Members to further expedite the movement, release and clearance of goods; and
- the reflection of the development dimension in all negotiating areas, recognizing that the
 most effective way to promote development is through the removal of market distorting
 measures and the improvements in real market access by all WTO Members, especially in
 the areas of interests to developing and least-developed countries, as well as progress in
 the works on making existing special and differential treatment more precise, effective and
 operational.

5. We note that high-level engagement, including informal and regional Ministerial Meetings, has played an important role in providing the necessary leadership and guidance for the Geneva process. We agree to provide continued political direction and support for multilateral trade liberalization to further facilitate the negotiations in Geneva. In this light, we welcome China's initiative to host an informal Ministerial Meeting in Dalian, China on 12-13 July 2005.

6. We support the work undertaken by the APEC Geneva Caucus to advance the negotiations, in particular in the area of trade facilitation, and instruct it to continue its work with a view to sharing APEC's experience with the WTO Members, contributing to the success of the Hong Kong Ministerial and promoting an ambitious conclusion of the DDA negotiations. We also welcome the forthcoming visit of members of the APEC Business Advisory Council (ABAC) to Geneva on 13-14 June 2005 in an effort to provide business input to the DDA negotiations.

7. We extend our sincere appreciation for the important contribution that Dr. Supachai Panitchpakdi has made to the multilateral trading system and the DDA negotiations as Director-General of the WTO over the past three years. Bringing the negotiations to a successful conclusion will require a continued strong leadership in the period ahead. We welcome the appointment of Mr. Pascal Lamy as Director-General from 1 September 2005 and offer him our full support.