

Medlemmerne af Folketingets Europaudvalg  
og deres stedfortrædere

Bilag 1	Journalnummer 400.C.2-0	Kontor EUK	4. august 2005
------------	----------------------------	---------------	----------------

Til underretning for Folketingets Europaudvalg vedlægges beretning af formanden for TNC under WTO's Generelle Råds møde den 27. og 29. juli 2005.

# WORLD TRADE ORGANIZATION

WT/GC/95  
3 August 2005

(05-3502)

---

General Council  
27 and 29 July 2005  
Item 10(c)

## **statement by the chairman**

Colleagues,

We have just heard the report of the Chairman of the TNC, who, along with others, has painted an accurate portrait of where we are in the negotiations. The Chairs of the Negotiating Groups painted very similar portraits yesterday, at the TNC.

It would certainly be fair to say that we are not where we wanted to be. We have made some progress on some issues, but far too many remain to be resolved. The progress we have made has been slow – much too slow. We have done exactly what I raised in my acceptance statement in February and what we said we did not want to do – backload most of the decisions into the Fall and, potentially, overload the agenda for Ministers at a five-day, politically charged, Ministerial Conference in Hong Kong.

We have all seen that movie – we all know how it ends.

To make it more challenging still, we will have a relatively high turnover in Heads of Delegation this summer, including some Chairs of the Negotiating Groups. Some have been temporarily averted, and others are in abeyance, but all of these changes will add to our burden.

And on the subject of not adding to our burden, let me join the Director-General and others who have said that there is not a "crisis" in the negotiations – that we need not "press the panic button". The truth is that we long ago came to the realization that we would not likely make much greater progress in the negotiations by July. But then it is not in my nature nor yours I believe to throw in the towel. The challenge before us is to remain deliberate and determined.

I have consulted informally with Members and I believe that we will need three things if we are to succeed in Hong Kong.

First, we are going to have to make the most efficient, rational use of time. Among other steps we could take, this could mean:

- reducing the work of regular bodies, other than the Dispute Settlement and the Trade Policy Review Bodies, to essential business only – to allow Members to focus their resources on the negotiating bodies;
- avoiding informal Ministerial meetings outside Geneva that conflict with the negotiating agenda and take negotiators away from Geneva for extended periods;
- ensuring more frequent and active participation of Senior Officials in the Geneva process;
- ensuring that Ministers are on call to provide political guidance on a continuous basis, including by travelling to Geneva to consult each other ... and by ensuring that they are in regular contact with each other between meetings, deepening their understanding of each other's positions and needs;
- in addition to this ongoing involvement, it may be useful to provide a stocktaking session early in the Fall for Ministers to assess whether progress is being made; and,
- perhaps most importantly, we need more coherent, integrated, centralized and continuous management of the negotiating process. It is now critical to begin pulling the different threads of the negotiations together, which have, quite often, run on separate tracks. It is my intention to consult both the out-going and in-coming Directors-General on how this can be done quickly so as to provide a focus to all of our work in the Fall.

And part of using the Fall efficiently is using the August break efficiently too. We need to take this time to reassess our negotiating positions with capitals – to look for new approaches that will ensure acceptable outcomes.

Second, transparency and effective participation in the negotiations are issues on which I have received countless petitions from our smaller Members. I share the collective importance that Members attach to this issue, and I believe that the Organization's commitment to transparency and effective representation will be met in several ways. For instance, the Bureau for the 6th Ministerial Conference, that we have just established, is representative. But the Members of the Bureau owe their constituencies regular briefings. Transparency and effective participation will also be achieved through more frequent TNC meetings, informal meetings of Heads of Delegation, and by effective integration and participation of Regional Coordinators in formal and informal consultations. Again, regional coordinators will then be responsible for briefing their constituencies in an effective and timely manner.

As Chairman of the General Council, I stand ready to brief individual delegations and groups on issues arising in the negotiations on which they may require clarification. I am certain that the Director-General and the Chairs of the

Negotiations Groups would also be pleased to provide such assistance to any Member.

I also intend to consult with the Director-General to ensure that we make the most effective possible use of the Second Geneva Week for Non-Residents, so that the Week is focussed on the issues Members will need to address prior to and at the Hong Kong Ministerial meeting.

Third, and most importantly, we will need real political will. Not political speeches, but political action and political courage. Not political constraints, but creative political solutions to problems. Ultimately, it will be political will that will determine whether we succeed in Hong Kong.

And our objectives for Hong Kong must not be lowered. They remain the same ones we set out at the beginning of the year: modalities for agriculture, still the engine of the Round; modalities for non-agricultural market access; a critical mass of high quality offers in services; an agreed negotiating agenda in the area of rules, including trade facilitation; and a meaningful contribution to development in all aspects of the negotiations.

I would also like to remind Members, as I did in February when I took up this position, of the importance attached by African Members, the Least-Developed Countries and the ACP, to progress on the issue of cotton, in accordance with the negotiating mandate in agriculture for substantial reductions in trade distorting internal support and substantial improvements in market access. This mandate, too, cannot be lowered. This is one of the areas of urgency itself linked to broader global priorities that I addressed in February.

Our progress, thus far, has been disappointingly slow. But I urge the General Council to keep the big picture in mind. The Doha Development Agenda can make a real contribution to the broader global priorities of poverty reduction and sustainable development. The Hong Kong Ministerial could set the stage for the completion of the DDA. It is a rare opportunity – one we cannot afford to miss.

I said at the beginning of the year "This year the organization will be challenged. Difficult decisions will have to be made. And we know it." I also said that in several areas we have to bite the bullet. Well nothing has changed. As I said then the challenge for this organization is that it is a result oriented organization with outcomes directly affecting various spheres of economic life. The organization will continue to be judged by real outcomes on a success and failure yardstick. We cannot escape that challenge. We must face it. We need to change gears and to improve our play in several areas as we prepare for Hong Kong. Progress and success can only be achieved collectively.

In closing, I would like to inform the Council that I will be in Geneva during the month of August. My door will be open and I would welcome any guidance on the ideas I have presented, or any other suggestions that Members would like to offer to ensure our collective success at Hong Kong.





