

**« IS THE WTO A PRIORITY FOR
EUROPEAN BUSINESS? »**

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Strong support for the DDA

- **Improve European companies' access to world markets**
- **Make EU companies more competitive by increasing foreign competition in the Enlarged EU-25 Market.**

What are the results of the DDA?

Cancun was a flop

- **Opposition over agriculture & the Singapore Issues**

Post-Cancun has reduced the DDA

- **Goodbye investment, competition and transparency in government procurement**
- **No commitments from ACP countries in NAMA/Agriculture**

What are the results of the DDA?

What's left for business?

- **Services?**
- **NAMA (in emerging markets, only?)**
- **Trade facilitation?**

What's Wrong With the DDA?

Too much politics

Favorite Topics in Geneva

- **The EU: “Collective preferences”**
- **The US: Congress says no**
- **India: Just say no!**

What's Wrong With the DDA?

Too much politics

Favorite Topics in Geneva (con't)

- **Brazil: Agriculture but nothing else**
- **China: Everybody commit but me**
- **ACP: Save my tariff preferences**

What's Wrong With the DDA?

Too little liberalization

NAMA Negotiations up to now

- **No ambitious tariff formula**
- **No commitment to sector liberalization**
- **Nothing on NTBs**
- **Exceptions for anyone who 'cries' about the 'negative' impact of trade liberalization**

What's Wrong With the DDA?

Too little liberalisation

Agriculture: Strategic finger pointing

- **The EU took 3 years to agree to eliminate/ reduce trade distorting subsidies**
- **The US is no longer a leader on agriculture**
- **Developing countries rightly demand market opening but have little to offer in exchange**

What's Wrong With the DDA?

Too little liberalization

Services: why make an offer when you can do nothing?

- **Close to 100 countries have not made an offer after 3 years**
- **Hardly any countries have made serious offers**
- **Does anybody (other than business) care?**

What's Wrong With the DDA?

Too little liberalization

Investment is the devil!

- **Developing countries want more investment**
- **Developing countries don't want an investment agreement**

What's Wrong With the DDA? Not Enough Rule-Making

Anti-dumping: united as usual!

- Japan wants more rules
- The EU wants better implementation
- The US doesn't want to talk about AD
- Improved Rules could bring real benefits to all countries

A warning shot to negotiators

BUSINESS CAN'T WAIT FOREVER!

In 3 years the DDA has:

- **Dropped investment, competition and transparency in government procurement**
- **Made limited progress in agriculture**
- **Made no progress in NAMA, Services, Antidumping, or the rest**

Is Bilateralism an alternative to the DDA?

Targets for Governments:

➤ Geopolitics

- EU-GCC
- India-Brazil
- US-Morocco

Targets for Business:

➤ Economics

- EU-US FTA?
- EU-China FTA?
- EU-Russia FTA?

How to save the DDA?

NAMA (more ambition is needed!)

- **Reduce all tariffs to a maximum of 15% with a compression formula**
- **Bind all tariffs**
- **Possibility for sectoral negotiations**
- **A Strategy for removing NTBs**

How to save the DDA?

Services

- **Make an offer**
- **Tell us what you want from the EU (mode IV)**
- **Make an improved offer**

How to save the DDA?

Start negotiating in trade facilitation!

- **Everyone agrees : trade facilitation brings benefits**
- **Large traders should be able to make serious commitments**
- **LDCs are not expected to computerize overnight but to contribute**

How to save the DDA?

Agriculture (the decisive issue!)

- **Eliminate all forms of trade distorting subsidies in all countries**
- **Serious negotiations on non-trade distorting support**
- **Serious negotiations on market access**

How to save the DDA?

Development

- **Is SDT compatible with development?**
- **Do preferences help development?**
- **Is south-south trade necessary?**
- **Is the WTO a guarantee for development?**
- **The EU is prepared to open its market to the poorest countries – Is this enough?**

How to save the DDA?

Start negotiating on the rest of the issues!

- **We are committed to negotiations on all issues from the environment to anti-dumping/rules.**
- **European business is ready to liberalize, are you?**

How to save the DDA?

Back to Basics

- **Economic Rationale**
- **Don't overload the agenda**
- **Politicization of issues**
- **Accept the rules-based trading system and comply with DSU rulings**

Conclusion

Still no real alternative to the WTO

- Liberalization and rule-making
- The DDA must succeed for economic reasons
- The risks of bilateralism