Basic information

1999/2149(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
World Trade Organisation (WTO): the Union's approach to the Millenium Round, 3rd conference of Seattle **Subject** 6.20.01 Agreements and relations in the context of the World Trade Organization (WTO)	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ITRE Industry, External Trade, Research, Energy	SCHWAIGER Konrad K. (PPE-DE)	29/07/1999

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs, Human Rights, Common Security, Defense		
ECON Economic and Monetary Affairs	RANDZIO-PLATH Christa (PSE)	04/10/1999
JURI Legal Affairs and Internal Market	WUERMELING Joachim (PPE-DE)	13/10/1999
EMPL Employment and Social Affairs	ETTL Harald (PSE)	28/09/1999
ENVI Environment, Public Health, Consumer Policy	ROTH-BEHRENDT Dagmar (PSE)	22/09/1999
AGRI Agriculture and Rural Development	CUNHA Arlindo (PPE-DE)	01/09/1999
CULT Culture, Youth, Education, Media and Sport	O'TOOLE Barbara (PSE)	11/10/1999
DEVE Development and Cooperation	CORRIE John Alexander (PPE-DE)	04/10/1999

Council of the European Union

Key events

Date	Event	Reference	Summary
08/07/1999	Non-legislative basic document published	COM(1999)0331	Summary
04/10/1999	Committee referral announced in Parliament		
15/11/1999	Vote in committee		Summary
15/11/1999	Committee report tabled for plenary	A5-0062/1999	
17/11/1999	Debate in Parliament		
18/11/1999	Decision by Parliament	T5-0108/1999	Summary
18/11/1999	End of procedure in Parliament		
07/07/2000	Final act published in Official Journal		

Technical information

Procedure reference	1999/2149(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 148
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/4/11110

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A5-0062/1999 OJ C 189 07.07.2000, p. 0014	15/11/1999	
Text adopted by Parliament, single reading		T5-0108/1999 OJ C 189 07.07.2000, p. 0101-0213	18/11/1999	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(1999)0331	08/07/1999	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary

CofR	Committee of the Regions: opinion	CDR0527/1999 OJ C 317 06.11.2000, p. 0012	14/06/2000	

World Trade Organisation (WTO): the Union's approach to the Millenium Round, 3rd conference of Seattle

1999/2149(COS) - 08/07/1999 - Non-legislative basic document

PURPOSE : to present the case in favour of a new comprehensive Round of trade negotiations and to define a common negotiating framework.
CONTENT : The European Community has been at the forefront of efforts to launch a Millennium Round of trade negotiations in the WTO in 2000. In its conclusions of 30 March, 30 April and 18 May 1998, and 21 June 1999, the Council unanimously supported such an aim. Frequent and substantive discussions on several occasions within the Council's 133 Committee have developed further the Community's position on the approach to, and possible scope of such a Round, enabling the EU to continue to exercise leadership in the WTO. This communication sets out the case for a new WTO trade round as an important means to improve the European economy, to foster global economic growth and development, and to ensure the successful management of globalisation. It argues that a comprehensive Round offers the best way to take account of the trade interests of the WTO membership as a whole. In addition, the Communication sets out the possible EU agenda for the Round, for which should, among other things, include further liberalisation or rule-making in the fields of agriculture and services, non-agricultural tariffs, investment, competition, trade facilitation, and trade environment. Results in all areas should support and contribute to sustainable development. The Communication sets out in addition the views of other trading partners on the question of a new round, noting that the support for this is growing. It also proposes a detailed agenda to ensure that the needs and interests of developing countries are concretely reflected in the negotiations, and suggests an approach to the question of labour standards and the WTO. The main guidelines which are proposed can be summed-up as : 1) agriculture : some of the principles of the agreement concluded in the Uruguay Round should be kept, notably, the defence of the multifunctional role of agriculture, the preservation of human, animal and plant life or health, the relationship between trade and the environment, animal welfare, food safety and food quality and other consumer concerns relevant to agriculture. For the Commission, the reform of the CAP within the framework of Agenda 2000 would constitute essential elements in defining its negotiating mandate for the future multilateral negociations at the WTO; 2) services : the Community should have an ambitious position for the further market opening coupled, where necessary, with regulatory disciplines. The aim is to achieve real and meaningful liberalisation, and ensure the development of a transparent and predictable domestic regulatory environment, justified on the basis of specific public policy objectives, which can provide legal certainty and confidence to service suppliers, investors, users and consumers; 3) investment : the WTO represents the adopted framework for a negociation in this domaine including the developing countries who have been mostly in the role of host countries. A framework for multilateral rules for investment has to ensure the right conditions for international investment to be conducive to sustainable development. To this end, such a framework should, among other things, preserve the ability ofhost countries to regulate the activity of investors (whether foreign or domestic) on their respective territory, for the achievement of legitimate policy objectives; 4) competition : the Commission have come to a firm decision in favour of a strict framework in this regard: the setting of common rules relating to competition and the active and effective enforcement of these rules, common approaches on anti-competitive practices with a significant impact on international trade and investment, provisions on international co-operation, provisions on notification, consultation and surveillance in relation to anticompetitive practices, introduction of concepts of negative and positive comity, uniform procedure of regulation of different opinions; 5) trade facilitation : it is necessary to simplify and harmonise, automate procedures, reduce red tape and documentation, and increase transparency; 6) tariffs on non-agricultural products : the Commission calls for the generalised reduction of tariffs on the non-agricultural products, with an important advantage for the least developed countries which should benefit from early tariff free treatment for nearly all of their products from now until 2003; 7) trade and environment : trade and environment policies should play a mutually supportive role in favour of sustainable development. The WTO rules should be harmonious with existing and future multilateral environment agreements (MEAs). It is also necessary to maintain the right of WTO members to take precautionary action to protect human health, safety and the environment while at the same time avoiding unjustified or disproportionate restrictions; 8) trade and core labour standards : the Commission does not consider sanctioning the countries where social conditions are considered as inadequate but it recommends a positive approach by encouraging the fixing of international rules within the ILO (in this regard, the Commission regrets that the efforts made by the Union to create a "social standards" working group within the WTO, came to nothing. The Commission underlines that the opposition of the developing countries remains strong and that it is not realistic to reach a consensus on the issue). The Commission advocates a five point strategy based on co-operation with the ILO and the convincing of its partners (by means of a regime of encouragement allowing third countries to obtain complementary trade advantages if they prove that they respect the main ILO conventions on work). The Commission's document also deals with the intellectual property rights, public procurement, technical barriers to trade, anti-dumping measures and other instruments of trade defence, electronic commerce as well as taking account of the public's concerns which are becoming more and more sensitive to the negative effects of the globalisation of work and the environment. The Commission calls on the Council to reach a position regarding its communication and to approve the general guidelines, in such a way that allows it (direct consultation with the Committee in Article 133) to prepare, along the lines indicated, for the Ministerial Conference in Seattle, which is to take place in November 1999. The European Parliament will also be called upon to reach adecision on the contents of this communication and will be kept informed of the progress on each of the issues throughout the negotiating process.

World Trade Organisation (WTO): the Union's approach to the Millenium Round, 3rd conference of Seattle

1999/2149(COS) - 18/11/1999 - Text adopted by Parliament, single reading

In adopting the report drafted by Mr. SCHWAIGER (EPP/ED, D) by 359 votes for, 62 against, and 57 abstentions, the Parliament sought to ensure that the Commission does not give its consent to a limited negotiating agenda which does not refer to the need for a broad negotiating round. It calls on the

Council to consult Parliament prior to the conclusion of the agreements, whether they take the form of sectoral agreements or a single undertaking. It calls for changes to the Treaty at the next IGC to give a formal role to the European Parliament during the course of the WTO negotiations and to any WTO agreement automatically subject to Parliament's assent. Approach to the negotiations: The Parliament welcomes the Commission and Council proposal regarding a comprehensive trade round which would cover both the usual themes and new subjects and endorses the general approach to the negotiations for the Millenium Round. The Parliament agrees that the proposed fields for negotiation should be seen as a complete package, but does not consider that the negotiations should be limited to three years, as the Commission and the Council proposed. It also considers that the Millennium Round should not simply deal with the extension of world commercial exchanges but also with the improvement of the situation of developing countries and pay greater attention to the environment, public health and animal welfare. Agriculture: The EP believes that European farming must continue to participate in and benefit from international trade, without undermining the founding principles of the common agricultural policy. The Union should base itself on the decisions taken in Berlin regarding the reform of the CAP (Agenda 2000 package) and the precautionary principle should be explicitly mentioned in the WTO's rules. The Union's general objective should be to secure the European agricultural model based on family farms and characterised by multifunctionality, sustainable production of agricultural goods and management of the environment and preservation of the countryside. It points to the desire of the developing countries for free market access for agricultural products and believes that the EU should ensure that WTO rules relating to the agricultural sector do not have an adverse effect on the economies of developing countries and that security of food supply should be considered as a multifunctional aspect of agriculture. The Parliament calls urgently during the revision of the agreement on sanitary and phytosanitary measures (SPS) for food safety policy to be based on the precautionary principle, so as to enable the EU to continue to pursue its policy of a high level of food safety and consumer and environment protection. In addition, it notes that the definition of the precautionary principle as adopted at the Conference on the Environment and Development in Rio could become an internationally accepted model and calls for the recognition of this definition within the WTO. In the framework of the SPS and TBT (Technical Barriers to Trade) Agreements, the Ep calls for levels of acceptable risk to be subject to internationally agreed guidelines. For the Parliament,labelling is not a solution in disputes concerning food safety, even if it improves consumers' freedom of choice and contributes towards preventing trade disputes. Lastly, in the fishing sector, the Parliament wants the liberalisation of trade to take account of the existing legal framework, in particular the United Nations International Convention on the Law of the Sea and the objectives of international agreements on environmental preservation and natural resource management. It calls for a list of sensitive products to be drawn up in order to ensure that the international fishery industry complies with the principles governing responsible fishing methods. Services (GATS Agreement): For the Parliament, the negotiations should be comprehensive and bring about a deeper and broader package of improved commitments from all WTO members to market access and national treatment. The negotiations should also focus on unfinished discussions on specific issues (safeguards, subsidies, government procurement). In addition, progress towards further liberalisation should be made contingent on the ability of the contracting parties to regulate access to public services in order to guarantee universal coverage. It urges that sectors and services with a specific social mandate, such as health, education and cultural policy, should be dealt with exclusively in a framework laid down by the state concerned and calls on the EU to ensure that these sectors are not dealt with in the context of the revision of the GATS Agreement. With respect to cultural services, and in particular the audiovisual sector, the Parliament takes the view that the GATS rules on cultural services should not jeopardise the cultural diversity and autonomy of the WTO contracting parties. It reaffirms its commitment to the freedom of action in the sphere of audiovisual policy obtained at the Uruguay Round. On the subject of public procurement, the Parliament takes the view that the substance of the Uruguay Round decisions on liberalisation must above all be consolidated and that, in addition, principles such as transparency, reciprocity and national treatment must be applied. It agrees that the provisions of the GATS Agreement should apply to electronic commerce. Investments and competition policy: The Parliament calls for the establishment, under the auspices of the WTO, of a multilateral legal framework governing direct foreign investment which takes account, on the one hand, of the interests of the developing countries in a manner acceptable to them and, on the other, of the Member States' social, environmental and cultural laws, and urges that the same problems should not arise as those created by the MAI, which had been prepared by the OECD. It proposes that the ILO's Declaration of Principles on Multinational Enterprises and Social Policy, the OECD's Guidelines for Multinational Enterprises and the Principles of Corporate Governance should be incorporated into the draft WTO Agreement on investment. In regard to competition, it calls for the establishment of uniform minimum standards for the prevention of anti-competitive practices (such as cartels), as well as the establishment of independent competition authorities in allWTO member states to enforce minimum competition law standards; steps must be taken to ensure that a situation does not arise in which companies would have to comply with differing national interpretations of competition law. Tariffs and technical barriers to trade: The EP calls for a further reduction in duty on industrial products and for the abolition of tariff peaks and tariff escallation, which is particularly disadvantageous to developing countries. It asks that procedures and rules in the field of customs and product certification be simplified for SMEs. It emphasises the need to dismantle existing non-tariff and technical barriers by means of an appropriate and legally binding process for monitoring and resolving such issues. It considers that the negotiations on tariff and non-tariff barriers must succeed in establishing conditions governing market access which enable European industry to compete on fair terms on a global basis, in particular in those sectors where differences in the conditions governing market access serve to distort competition. Trade and the environment: The EP regards it as essential to ensure the compatibility of trade policy rules with the requirements of sustainable development. The principle of environmental protection has to be taken into account in all the fields falling within the WTO's competence and in the agreements to be negotiated in the Millennium Round. It needs to be stated clearly to other Contracting Parties that the Union considers the health of its citizens at the top of its priorities. It approves of the EU initiative to proceed with an 'impact on sustainability assessment' in the new Round and advocates the setting up of a permanent impact assessment programme. For the Parliament, the precautionary principle has to be a limiting criterion integrated in the WTO's rules. It is aware that the WTO cannot be a substitute for the conclusion of multilateral environmental agreements (MEAs). It calls on the Commission to ensure that the question of processes and production methods (PPMs) is included in the negotiations. As the liberalisation of trade is also likely to have the effect of increasing traffic volumes, particular attention must be paid to transport-related environmental damage. Core labour standards: The Parliament welcomes the fact that the Commission has taken up its call for the ILO's core labour standards to be taken into consideration in the world trade system and supports the creation of a joint ILO/WTO Forum on Trade, Globalisation and Labour Issues to look at the relationship between trade policy, trade liberalisation, development and fundamental labour rights. It stresses the importance of granting the ILO observer status within the WTO. Intellectual property (TRIPs Agreement): The EP considers that the 'built-in agenda' on TRIPs concerning the extension of protection on the basis of indication of geographical origin and the filing of patents should be followed up and scrutinised. It draws attention to the need, in the context of the TRIPs Agreement, to improve protection of indications of geographical origin, a vitalcompetitive asset for European agricultural products. It takes the view that a cautious approach should be adopted on additional agreements to the TRIPs Agreement, taking into account the concerns and interests of all countries as well as users and rightholders. It is also aware of the objections to the patenting of living organisms raised by many countries and calls on the Commission to evaluate the existing TRIPs agreement; should such an evaluation necessitate changes, the Commission should act accordingly. It is aware of the difficulties faced by many developing countries in implementing the undertakings entered into under the TRIPs agreement and it calls on the Commission to offer such contracting parties comprehensive technical aid in implementing an effective policy on the

protection of intellectual property rights which require the preparation and implementation of effective framework conditions. It believes in granting the least developed countries longer transitional periods, but rejects the idea of any comprehensive renegotiation of the agreement. Trade and development: The Parliament calls for the specific requirements of the least developed countries to be better taken into account in the WTO. It is vital that these countries achieve practical benefits from the Millennium Round, such as free access to markets for their agricultural products. It endorses the objective of ensuring that the negotiations are genuinely a 'development round' and calls on the Commission to pay particular attention to development policy in all the areas covered by the Millennium Round negotiations. It also underlines the need to assist the developing countries in capacity building in order to enable them to participate fully in the WTO and the Millennium Round. It emphasises that different countries must be allowed to have different national development strategies which should not be hindered by WTO rules. It calls on the Commission to ensure that a worthwhile, effective and coherent EU development policy which exploits the full scope of the Lomé Convention remains possible under the new WTO rules. It calls for the System of Generalised Preferences to be used more effectively as an incentive system to ensure the necessary implementation of social and environmental clauses by developing countries and calls on other industrialised countries to adopt similar incentive schemes to encourage improved environmental and social standards. Dispute settlement procedure: The Parliament notes that the WTO's new dispute settlement procedure has proved successful in many cases, but that some of its rulings have caused a controversy over trade interests and non-trade concerns. It calls on WTO members to make proper use of the mechanism. It also calls for greater transparency in the WTO's dispute settlement procedures, particularly as regards public access to the proceedings.