



INTERNATIONAL CENTRE FOR  
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DEVELOPMENT

# BRIDGES

## DAILY UPDATE

ON THE FOURTH MINISTERIAL CONFERENCE

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*ICTSD BRIDGES DAILY UPDATE* is a daily news service covering trade and sustainable development on the occasion of the Fourth World Trade Organisation Ministerial Conference in Doha, Qatar. The publication focuses on news, activities and negotiations around the Ministerial from 9 to 13 November as they relate to sustainable development issue-areas. *BRIDGES Daily Update* is also available online at <http://www.ictsd.org>.

### DOHA MINISTERIAL: SIX KEY ISSUES IN SEARCH OF A SOLUTION

The fourth Ministerial Conference of the World Trade Organisation formally opened in Doha, Qatar at 5.30 p.m. on 9 November. As of today, plenary sessions – open to press and non-governmental organisations – will continue throughout the conference, providing trade ministers a five-minute slot each to deliver their views on what the WTO should focus on over the next two years.

Meanwhile, Member governments will attempt to reach consensus on just what that focus will be. At the start of the five-day meeting, they are still divided on whether or not launch a new round of multilateral trade negotiations. Even those in favour – all industrialised, as well as many developing countries – differ on the subject areas that any new talks would cover, while a large number of developing countries remain opposed to a new ‘round’. They maintain that, instead of seeking further industrial tariff cuts or multilateral disciplines in areas such as investment or competition policy, WTO Members should concentrate on finding solutions for developing countries’ long-standing concerns about the implementation of existing Agreements and redressing imbalances inherent in them. Mandated negotiations on agriculture and services, as well as ongoing reviews of the Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPs) and some other WTO treaties, are set to continue whether the negotiating agenda expands or not.

#### *Key Areas of Contention*

Negotiations on the future work programme are to proceed at the head-of-delegation level on six tracks that reflect the areas where Members’ views differ the most. The negotiations are to be chaired by ministers in their personal capacity.

- **Intellectual property rights and public health/access to medicines**, chaired by Mexico\*. The central element of these negotiations is the scope of the TRIPs Agreement’s flexibility: should those flexibilities apply to all measures taken for public health reasons or only those in response to national health crises? For many, a meaningful Declaration on access to medicines will be the measure of Doha’s success.
- **Implementation**, chaired by Switzerland\*. The most difficult topics in this area concern market access for developing countries’ textile products, curbing the abuse of anti-dumping measures and the imbalances in subsidy rules. Many other of their priorities have been made contingent on new negotiations on other subjects that developing countries do not support.
- **Agriculture**, chaired by Singapore\*. This is the number one priority for most WTO Members. The negotiations will largely be aimed at forcing industrialised countries, and the European Union, Norway, Switzerland, Japan and Korea in particular, to open their agricultural markets through tariff reductions and quota removal, the gradual elimination of export subsidies and drastic reductions in domestic support.
- **Environment**, chaired by Canada\*. A relatively new potential deal-maker. The European Union - with very few allies - still stands firm that it cannot sign off on an outcome without a specific environmental mandate, aimed at clarifying such controversial issues

as the relationship between the international trade and environmental regimes or the application of the precautionary principle within the WTO framework.

- **‘New’ or Singapore issues** (i.e. investment, competition policy, government procurement and trade facilitation), chaired by Chile\*. Here the EU has a wider support base, but a large group of developing countries remains adamantly opposed.
  - **Rule-making**, chaired by South Africa\*. Rule-making refers to two particularly controversial topics for the United States that also loom large in the implementation discussions: reform/clarification of anti-dumping and subsidy rules, including fisheries subsidies.
- \*At press time the chairs had not yet been formally confirmed.

Participants at these sessions will include the head of each delegation – in most cases the trade minister – and two advisors. After criticism encountered at previous Ministerials on non-transparent decision- and deal-making, all negotiations will be conducted at the ‘minister + two’ sessions open to all Members, and no meetings will be held simultaneously on the different tracks. However, informal consultations will also take place, and it is far from certain that the original negotiation game plan will be strictly adhered to as pressure mounts.

#### *The Negotiating Drafts*

Three texts will form the basis of negotiations:

- a 45-paragraph draft Ministerial Declaration (JOB(01)/140/Rev.1);
- an 11-paragraph separate Declaration on Intellectual Property Rights and [Access to Medicines][Public Health] (JOB(01)/155); and
- a 14-point draft Ministerial Decision on Implementation-related Issues and Concerns (JOB(01)/139/Rev.1).

The final drafts for these documents were released on 27 November. While WTO Director-General Mike Moore said that he and General Council Chair Stuart Harbinson had ‘delivered a balanced text’ that presented a ‘solid basis for constructive negotiations’, key developing countries strongly claimed that the drafts systematically sidelined or ignored their concerns, while ‘generally accommodating in total’ the interests of industrialised countries. Nigeria requested the Chair to revise the drafts to reflect the key points on which there was fundamental disagreement. The drafts were not modified, but on 5 November, Mr Moore and Mr Harbinson attached cover letters to the draft Declaration and the draft Ministerial Decision on Implementation Concerns, explaining that these were not agreed texts.

#### *Developing Country Reservations*

Among WTO Members most opposed to the future work programme outlined in the documents listed above are India and Malaysia, as well as many African and least-developed countries. In addition to several outstanding implementation concerns, in particular with regard to market access for textile and clothing products, their main points and priorities include:

No negotiations on new issues The Ministerial Declaration draft proposes that negotiations be launched in Doha on government procurement and trade facilitation. On investment and competition policy rules, Members would engage in a two-year preparatory work programme prior to launching plurilateral negotiations on these subjects at the WTO's fifth Ministerial Conference in 2003. For these countries, these proposals are unacceptable and premature. Instead, WTO Members should continue their current analytical work.

TRIPs A separate Declaration should be adopted on intellectual property rights and public health, specifying that 'nothing in the TRIPs Agreement shall prevent Members from taking measures to protect public health'. In their main Declaration, ministers should agree that mandated negotiations on the establishment of a multilateral system of notifications and registration of geographical indications for wines and spirits shall include the extension of geographical indications coverage to other products. The mandated reviews of the TRIPs Agreement and its Article 27.3(b) on plant variety protection/exemptions from patenting obligations should be concluded before the end of next year, including the examination of the relationship between TRIPs and the Convention on Biological Diversity.

Agriculture The negotiations should aim at substantial improvements in market access, as well as the elimination of tariff peaks, tariff escalation and non-tariff barriers. A 'development box' should be adopted for developing countries' agricultural subsidies and other forms of support that address food security and rural development.

Services Commitment to a greater emphasis on liberalising the movement of 'natural persons' and the creation of an emergency safeguard mechanism should be added to the draft Declaration language on the built-in services negotiations.

Industrial tariffs Developing countries are particularly divided on this issue. Those opposed cite potential de-industrialisation due to uncontrolled cheap foreign imports. Those in favour emphasise the importance of addressing tariff escalation of value-added products.

LDCs In the main Ministerial Declaration, Members should agree to provide quota-free and duty-free access for all products originating in least-developed countries, bind and fully implement all existing special and differential treatment provisions and increase trade-related technical assistance.

Special and differential treatment Ministers in Doha should entrust the General Council to elaborate a Framework Agreement on Special and Differential Treatment by the fifth Ministerial Conference, including a review of the effectiveness of existing provisions; recommendations to ensure that S&D treatment is mandatory and legally binding through the WTO's dispute settlement system; and flexibility in the negotiation and application of rules – including when new agreements are negotiated – in consonance with individual developing and least-developed countries' development needs.

Debt, finance and transfer of technology These subjects should be studied under the auspices of the General Council, which 'shall report with recommendations' to the fifth Ministerial Conference.

Environment Paragraph 27 of the draft Ministerial Declaration proposes that Members, after studying the issues in the WTO Committee on Trade and Environment, make recommendations to the fifth Ministerial in 2003 on the 'desirability of negotiations' regarding

the relationship between the multilateral trading system and multilateral environmental agreements, labelling and TRIPs-related issues. Many developing countries believe environment should not be a subject of WTO negotiations in any way.

### NGO Reactions

Speaking at an NGO briefing co-organised by Oxfam International, Third World Network (TWN), and the Institute for Agriculture and Trade Policy, TWN's Martin Khor accused developed countries and the WTO Secretariat of attempting a 'coup d'etat' against developing country interests in the Doha preparation process. 'The Quad want to get the WTO to negotiate four or six new treaties...but developing countries are still not happy with existing rules, and are not prepared to take on new obligations when old ones need to be redressed,' he said. A statement signed by over 30 organisations and individuals – most from the South – was circulated at the briefing. The statement condemns the process by which the draft texts have been formulated, criticising in particular text that would commit Members to launching negotiations on industrial tariffs and on 'new issues' such as investment and competition. The statement is available in the NGO Centre.

### Useful information

**Plenary sessions** by WTO trade ministers will take place throughout the Conference. Note that these – and only these sessions – are open to the public. 20 tickets are to be distributed among more than 300 non-governmental organisations (NGOs) on a first-come-first-served basis.

**Advance ministerial sessions.** In advance of the opening on 9 November, at least the following groups met on 9 November: the 'D-8' Group of Arab nations and Pakistan, the Like-minded Group, SAARC, the EC Council of Ministers and the Africa Group. The latter has indicated that it will hold sessions regularly throughout the Ministerial, either in the morning or late at night.

**Press briefings** will be held twice daily by the EC and by the US. The US briefings will take place in the morning around 10-11 a.m. and again around 4-5 p.m., in the press rooms around the Press Centre. Other delegations will also be holding briefings throughout the Conference, though at press time other governments' plans for press updates were not known. Press briefings are announced continuously on central screens in the Press Centre.

**NGO briefings:** the WTO Secretariat will be holding regular briefings for NGOs at the NGO Centre, reportedly from 9 to 10 every morning. WTO Director-General Moore will hold the introductory briefing on Friday morning. NGO-related events will be taking place throughout the Ministerial. Daily events will be notified on the main board in the NGO Centre. The NGO Centre will be open until midnight every night.

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**BRIDGES Daily Update** is available in English, French, Spanish and German on the ICTSD website at [www.ictsd.org](http://www.ictsd.org). It is also distributed at various points around the Ministerial. ICTSD's Weekly and Monthly publications are on hand at the WTO Conference and on the ICTSD website. A number of key official documents including the Ministerial drafts, as well as NGO position papers, are also posted.



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