

OTHER INTERNATIONAL DEVELOPMENTS

WTO

Agreement on New Trade Round

Following six exhausting days of heated argument in Doha, Qatar, on 14 November 2001 the 142 members of the World Trade Organisation (WTO) agreed to launch a three-year programme of trade liberalisation negotiations, to be named the *Doha Development Round*.

The agenda for the new Round includes talks on clarifying the relationship between trade rules and environment treaties, on phasing out agricultural subsidies, on discussing the possibility of global rules on investment and competition, and on improving the capacity of poor countries to benefit more from the multilateral trading system.

The Doha Declaration calls for the Round to begin no later than 31 January 2002, and to be completed by 1 January 2005. The only exception is the negotiation on improving and clarifying the Dispute Settlement Understanding, which is to conclude by the end of May 2003.

With memories of the Seattle fiasco still uppermost in everyone's minds, ministers were determined that this time the talks would mark a new period of cooperation. Thus participants talked about spreading the benefits of a new Round to all, especially to the world's poorest countries, who make up most of the WTO membership, and who have always complained that they lose out in the process of globalisation.

The last hurdle to a final agreement proved to be India, who has long seen itself as champion of the developing countries at the WTO, and who has a long history of confrontation with WTO procedures and the plans for a new trade round. European Union members had assumed that the Indian government would want greater market access for its textile exports, and would push for a deal in this respect. However, the Indian Trade and Commerce Minister focused instead on the issues the EU had submitted at Doha: competition, investment and the environment. Agreement could only be reached when the Meeting's Chairman, Youssef Hussain Kamal (Qatar), read out a statement explaining that any country could veto negotiations at the WTO's next ministerial meeting in 2003.

The Meeting ended with three separate texts:

- a declaration outlining the elements of the "broad and balanced work programme",
- a declaration covering the so-called "implementation" issues,
- a separate declaration clarifying the patent rights waiver when importing essential medicines to fight health crises.

The Ministerial Declaration covers a wide variety of trade-related issues. With regard to the environment, it includes:

- a pledge that sustainable development will be a final goal of the negotiations,
- reference to the precautionary principle,
- labelling, by reaffirming the right of countries to take measures they think appropriate in the field of health, safety and environmental protection, and
- a commitment to clarify the relationship between multilateral environmental agreements (MEAs) and WTO rules. The EU also won a crucial agreement on the right to reject food that is not labelled with information about genetically modified organisms (GMOs), hormones and sustainable farming methods. (See also extracts on page 56.)

WTO members reconfirmed a 1996 commitment to core labour standards and cooperation between the WTO and the International Labour Organisation (ILO), but agreed not to examine the link between trade and labour.



The EU's Pascal Lamy stated that this was one area where he was not happy: "Although we have managed to get the WTO to recognise for the first time the importance of the social aspects of globalisation and the work of the

International Labour Organisation...there was simply not time to get any more."

Many non-governmental organisations welcomed the deal. Oxfam and Médecins Sans Frontières welcomed the decision on essential medicines, but other associations were not so happy. Some environmental groups, including the WWF, welcomed the step towards scrapping billions of euros in what it termed "wasteful subsidies that drive the depletion of the world's fish stocks". The commitment to clarify the relationship between MEAs and WTO rules was also seen as being a positive step forward.

Greenpeace said the meeting had failed to produce a vision for sustainable development and the protection of the environment. With regard to labour standards, the International Confederation of Free Trade Unions (ICFTU) regretted that the WTO had failed to tackle the inequities of globalisation. The Confederation promised to campaign hard until the day when the WTO "incorporates adequate development, social, labour, gender and environmental concerns into its work and mechanisms." (MJ)

