

EU statement at the Trade Negotiations Committee, 16 October 2014

Statement by Ambassador Angelos Pangratis

I first want to thank you DG for your evaluation of the situation and the chairs of the General Council and the Negotiating Groups for their reports.

We do agree with your core assessment DG: We are clearly in the midst of a very serious situation for the future of this organization. The EU deeply regrets the current impasse

We also agree that, as the impasse persists, we do need to prepare for a broader discussion that could take place along the lines of the four concentric circles mentioned, including the future role of the WTO and specifically of its negotiating function. Such a deep reflection will of course require from us all to devote the necessary time and energy to prepare for what unavoidably will be a complex debate.

Chair, a number of very important points were raised today. Obviously, most cannot be answered directly and within the available time. However, for the purpose of clarity, I will comment briefly on five of them:

- First, we should not anymore deceive ourselves into thinking that just another deadline has been missed and that we can easily pick up the pieces. Of course, throughout the DDA's long history, there have been deadlines that have not been met. However, what is being challenged since the 31 of July and today is not a mere deadline, but rather the implementation of a Ministerial Decision taken by consensus as part of a broad compromise just a few months ago in Bali. This impasse is particularly damaging for the credibility of this organisation and for our ability to move forward: what is at stake is not only our ability to reach agreements, but also to implement what has been clearly agreed. There should be no mistake, the current stalemate will have consequences on the WTO and the multilateral system.
- Second, concerning the decisions taken in Bali, the EU will of course abide by its legal commitments and urges all other WTO Members to do same.
- Nevertheless, and this is my third point, there is a certain number of decisions taken in Bali which require further negotiations, the DDA work-programme being the most prominent. In view of the current stalemate, we do not see the necessary conditions and trust present for WTO Members to engage in the difficult discussions which are needed to prepare the work-programme. As it became again very obvious today,



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we are already feeling the effects of the current blockage. The trust needed to address such difficult issues as agriculture, NAMA and services is simply not present. We have lost many precious months which could have been used to prepare a work-programme which would put us on a path toward the conclusion of the DDA.

- Fourth, under the circumstances we do believe that 'pretending to negotiate' by continuing with "business as usual", while we know that the current conditions will not allow any real progress to take place, cannot be an option for the organisation right now. This of course also goes for the discussion on a permanent solution on public stockholdings. We need to face reality, assume our responsibility and not give up our efforts for a WTO that can really deliver again, as it proved in Bali that it can do
- Finally, a consequence of the current impasse is also, unfortunately, that many issues of concern to developing countries and particularly LDCs are not getting the attention they deserve. With regard to LDC issues, we are clearly prepared to continue efforts to make progress.

Now, a few comments on the way forward:

- What we need now is to get out of this vicious circle. However, the solution has to be found through upholding the Bali decisions not undermining them. This is also the only way forward that can allow us to recover the spirit of cooperation and trust that made Bali possible.
- Mr Chairman, the European Union has a long history of consistently supporting the multilateral system, which remains a core element of our trade policy. We have repeatedly expressed our interest and readiness to engage in discussions with a view to advancing and concluding the DDA. While we remain fully committed to these objectives, they can only be attained if the commitments made in Bali are adhered to.
- The EU has already expressed its readiness to find a compromise regarding trade facilitation and public stockholdings as long as the substance of the Bali decisions does not change. We already showed our readiness to find a compromise when we discussed the situation back in July and in September. We remain ready to re-confirm the open-ended nature of the peace clause on public stockholdings and we are ready to engage in further discussions to find a permanent solution. In order to do this however, we need clarity regarding the willingness of all WTO Members to make good on their commitments. In concrete terms this means that the Trade Facilitation Protocol must be adopted, if the post-Bali process is to be put back on track. Getting a multilateral agreement on Trade Facilitation remains our first step priority. Time is however running out quickly.
- **Finally chair, we remain ready and open :**
 - To engage in the process and discussions you suggest
 - To explore feasible options to allow us to move forward on the Trade Facilitation Agreement and
 - To discuss solutions which strengthen the multilateral system and which allow us to collectively move forward.

and we will of course support your efforts to facilitate such a process.

THANK YOU