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**GREENPEACE INTERNATIONAL COMMENTS AND ANNOTATIONS ON THE DRAFT DOHA MINISTERIAL DECLARATION**

(Document JOB (01)/140/Rev.1 of 27 October 2001)

**Introduction:**

Greenpeace International has given consideration to the Draft Ministerial Declaration prepared by the Chairman of the General Council, in co-operation with the Director-General of the WTO for transmission to the Fourth Session of the Ministerial Conference.

Greenpeace International notes that this draft does not purport to be agreed in any part at this stage (27 October 2001). Thus we call upon the WTO Ministerial Conference to take account of our comments below, and to support our proposals.

We urge WTO member states not be intimidated by those who claim that if no new *round* of trade liberalisation was launched in Doha, this meeting would be a failure. The *new round* has been promoted by a few countries with vested interests. A failure of these countries does not mean that the entire meeting would be a failure. In fact, a “failure” to initiate a new *round* could represent a tremendous success for the majority of WTO Member States, and afford important opportunities for the WTO itself. It is true that, curiously, the WTO Secretariat (which should have maintained a neutral position in the light of the lack of consensus) has chosen to campaign actively in support of the new *round*, instead of acting as the *servant* of all the member states. As a result of this imprudent position it is true that the current Director General of the WTO could be seen as a *loser* if no new *round* is launched. This would be regrettable for Mr. Moore. But – again – this would not mean that the 4<sup>th</sup> Ministerial Conference was a failure or a waste of time. Furthermore, an acceptance of a new *round* in the light of this pressure would go far to establish the exclusive, bullying tactics used by the “*new round few*” with the support of the Secretariat as normal practice within the WTO.

There are alternatives to a new *round*. Alternatives that can make Doha a success, and build a real foundation for fair multilateral negotiations in the future:

**Alternative 1:** A new *round* is quickly rejected, and the meeting refocused on changing the drafting process, transparency, implementation and discussions on the nexus between the environment and trade;

**Alternative 2:** A new *round* is quickly rejected and the terms of reference for a comprehensive review of current WTO agreements, transparency and implementation drawn up to be completed by the next Ministerial. In addition, studies on the *Multilateral Environmental Agreements* (MEAs) relationship, agriculture and labour issues could also be conducted;

**Alternative 3:** A new *round* is quickly rejected and discussion revolves around implementation. The World Bank, the International Monetary Fund, and the WTO have tremendous leverage on developing countries to force them to be WTO-compliant. But there is no such mechanism to enforce compliance in industrialised, *developed*, countries. As a result, developed countries can protect their subsidies for exports more effectively. The hidden subsidy to their domestic industry which is represented by the US opposition to the Kyoto Protocol on climate change, is a case in point (see comment on paragraph 1, below).

The comments and annotations below, on the 27 October draft of the Ministerial Declaration have been prepared by Greenpeace International as a guide for those seeking alternatives to make Doha a real success for all.

1. *The multilateral trading system embodied in the World Trade Organization has contributed significantly to economic growth, development and employment throughout the past fifty years. We*

*are determined, particularly in the light of the global economic slowdown, to maintain the process of reform and liberalization of trade policies, thus ensuring that the system plays its full part in promoting recovery, growth and development. We therefore strongly reaffirm the principles and objectives set out in the Marrakech Agreement Establishing the World Trade Organization, and pledge to reject the use of protectionism.*

**Greenpeace comment:** There should be a caveat that in some cases, greater restrictions on some forms of trade – including trade bans – lead to greater “economic growth, development and employment” and play their full part in promoting “recovery, growth and development”. Obvious examples include existing bans on trade in nuclear weapons, trade in toxic waste, trade in slaves, trade in products from endangered species. Forests and fisheries are particularly vulnerable to plunder under an international trade regime. Restrictions to ensure sustainability, protect ancient forests and prevent illegal harvesting of timber and fish must be in place prior to trade liberalization.

In addition, the refusal of the US government to commit to CO2 emission reductions under the Kyoto Protocol provides the US with a vast fossil fuel subsidy for all exports related to agriculture, industry and other sectors. The pricing, use of and international trade in fossil fuels is severely distorted in the US because the external sink costs associated with climate change are not included in fossil fuel prices. This effective subsidy is of such a massive scale that it ensures virtually all US exports are priced far below true market values. Until the US ratifies and implements the Kyoto Protocol, Greenpeace International believes there cannot be fair and free trade with the US and that a new *round* should not go forward.

- 2. International trade can play a major role in the promotion of economic development and the alleviation of poverty. We recognize the need for all our peoples to benefit from the increased opportunities and welfare gains that the multilateral trading system generates. The majority of WTO Members are developing countries. We seek to place their needs and interests at the heart of the Work Programme adopted in this Declaration. Recalling the Preamble to the Marrakech Agreement, we shall continue to make positive efforts designed to ensure that developing countries, and especially the least-developed among them, secure a share in the growth of world trade commensurate with the needs of their economic development. In this context, enhanced market access, balanced rules, and well targeted, sustainably financed technical assistance and capacity-building programmes have important roles to play.*

**Greenpeace comment:** as illustrated by the above environmental examples, the Declaration should recognise that not all trade leads to “increased opportunities and welfare gains”. Another case in point the clearly shows that increased international trade can lead to increased poverty is the development of shrimp aquaculture in tropical mangrove areas, which has had a well documented impoverishing effect on local communities.

- 3. We recognize the particular vulnerability of the least-developed countries and the special structural difficulties they face in the global economy. We are committed to addressing the marginalization of least-developed countries in international trade and to improving their effective participation in the multilateral trading system. We recall the commitments made by Ministers at our meetings in Marrakech, Singapore and Geneva, and by the international community at the Third UN Conference on Least-Developed Countries in Brussels, to help least-developed countries secure beneficial and meaningful integration into the multilateral trading system and the global economy. We are determined that the WTO will play its part in building effectively on these commitments under the Work Programme we are establishing.*

**Greenpeace comment:** Some of the “structural difficulties” developing nations experience are driven by policies in developed nations and international institutions. The debt crisis exacerbates poverty and environmental degradation, drives away investment and reduces trade. Patents are sanctioned monopolies, owned primarily by companies based in developed nations. Many patents act as barriers to better information and technology effectively pricing progress on the environment, health and other areas out of reach for billions of people in developing nations. There should be a review of patents in light of environmental, developmental and economic objectives. The patenting of life should be prohibited on ecological, and economic grounds.

WTO members should also recognize that developed nations also have “structural” problems. Over-consumption of fossil fuel in developed countries is driving climate change, for example. The threats of increased storm damage, draught, flood, pest invasions and sea level rise are anticipated to have a

greater negative impact on many developing countries. Environmentally destructive fisheries and forest practices in developed countries have shrunk their own resource base.

Finally, it must be said that political will of the WTO to support least developed countries can be measured through the impact of the WTO on food security. The current agriculture trade system puts the South into an impossible situation: OECD annual state payments to the agriculture sector exceed Sub-Saharan Africa's entire GDP ! The combination of protecting domestic agriculture in the rich countries and putting up barriers against imports from poor countries has severe negative impacts on agricultural and economic development in the South. Food aid exacerbates the situation in Southern markets because food aid is often being given when prices are low – to stabilise domestic markets in rich countries and not when such aid is needed and prices are high. This situation has an extremely destructive effect on production in the South. A balance must be found between the interests of agriculture-based economies to export and the environmentally-based demands for local and regional production and consumption. This balance must include the right of individual countries to run their own agriculture policies including the protection of their respective farm sectors. Ministers should agree that food security and sustainable rural development is paramount, and that trade is not an end in itself.

4. *We stress our commitment to the WTO as the unique forum for global trade rule-making and liberalization, while also recognizing that regional trade agreements can play an important role in promoting the liberalization and expansion of trade and in fostering development.*

**Greenpeace comment:** The WTO must recognize the pre-eminence of the multilateral environmental agreements in the areas of trade and environmental protection where they pertain. This paragraph should also recognise that restrictions to trade can also play an important role in fostering development.

5. *We are aware that the challenges Members face in a rapidly changing international environment cannot be addressed through measures taken in the trade field alone. We shall continue to work with the Bretton Woods institutions for greater coherence in global economic policy-making.*

**Greenpeace comment:** we welcome the recognition that the challenges faced cannot be addressed through measures taken in the trade field alone. Accordingly, the second sentence should not be restricted to “work with the Bretton Woods institutions” alone. Reference should be made here to *multilateral environmental agreements*, and other relevant intergovernmental institutions and instruments, within and outside the UN system (i.e. FAO, UNEP, UNDP, WHO, UNCTAD, UNCED *Agenda 21* and the *Rio treaties*, etc). In addition, the Bretton Woods institutions have in some cases played a harmful role in environmental degradation, recession, debt generation, and poor or failed implementation. For example, World Bank loans were critical in logging vast areas of old growth forests and causing economic hardship in the wake of deforestation. These institutions show little accountability and should be reviewed.

6. *We strongly reaffirm our commitment to the objective of sustainable development, as stated in the Preamble to the Marrakech Agreement. We are convinced that the aims of upholding and safeguarding an open and non-discriminatory multilateral trading system, and acting for the protection of the environment and the promotion of sustainable development can and must be mutually supportive. We recognize the right of Members under WTO rules to take measures to uphold and enforce the levels of health, safety and environmental protection they deem appropriate. We agree to ensure that measures taken to address such concerns shall not be used for protectionist purposes.*

**Greenpeace comment:** This paragraph should contain a reference to the need to incorporate the *precautionary principle* in WTO decision- and policy-making. The precautionary principle is the expression of the obligation to take preventative action before environmental or health damage has started to occur when there is uncertainty or serious concern with regard to the possible environmental or health impact of an activity, a product or a commodity.

7. *We reaffirm the right of Members under the General Agreement on Trade in Services to regulate, and to introduce new regulations on, the supply of services.*

**Greenpeace comment:** Ministers should instead agree to establish a moratorium on the current GATS 2000 negotiations, until an independent and comprehensive assessment has been conducted. This

assessment should address the impacts that existing and future GATS disciplines may have on the environment – both directly and by limiting the ability of governments to pursue legitimate public policy objectives, such as regulating to preserve the environment and protect consumers, the health of citizens, human rights and local communities. Negotiations should recommence only if the conclusions arising from the assessment indicate that further trade liberalisation can contribute to sustainable development.

8. *We reaffirm our declaration made at the Singapore Ministerial Conference regarding internationally recognized core labour standards. We take note of work under way in the International Labour Organization (ILO) on the social dimension of globalization. The ILO provides the appropriate forum for a substantive dialogue on various aspects of this issue.*

**Greenpeace comment:** We look forward to the outcome of the work of ILO on the social dimension of globalisation. To be fair, consistent and comprehensive, the 4<sup>th</sup> Ministerial Declaration should also make reference to the work undertaken by the United Nations Environment Programme (UNEP) in the area of Trade and Environment, and Ministers should undertake to follow take account of UNEP's conclusions, and to follow their recommendations.

9. *We note with particular satisfaction that this Conference has completed the WTO accession procedures for China and Chinese Taipei. We also welcome the accession as new Members, since our last Session, of Albania, Croatia, Georgia, Jordan, Lithuania, Moldova and Oman. These accessions will greatly strengthen the multilateral trading system, as will those of the 28 countries now negotiating their accession. We therefore attach great importance to concluding accession proceedings as quickly as possible. In particular, we are committed to accelerating the accession of least-developed countries.*

**Greenpeace comment:** the entry of China in the WTO has raised concerns as to its significance for millions of people in rural communities in that country. Before China enters in the WTO, current member states should call upon China, in this paragraph, to take these concerns into account, as well as concerns regarding human rights.

10. *Recognizing the challenges posed by an expanding WTO membership, we confirm our collective responsibility to ensure internal transparency and the effective participation of all Members. Emphasizing the intergovernmental character of the organization, we will continue to promote a better public understanding of the WTO and to communicate the benefits of a liberal, rules-based multilateral trading system, particularly through the more effective dissemination of information and improved dialogue with the public.*

**Greenpeace comment:** the principle goal of better public understanding of the WTO should not be to “communicate the benefits of a liberal, rules-based multilateral trading system”, but for WTO to understand and take account of the concerns of civil society represented through NGOs. For it to be meaningful, this paragraph should include a sentence whereby the Ministerial Conference instructs the WTO Secretariat to develop rules for the effective participation of NGOs in the work the WTO, including attendance at Council and Committee meetings, with a view to their adoption by the 5<sup>th</sup> Ministerial Conference. In developing these rules for observership or consultative status of NGOs, the WTO should take account of existing rules in other fora, governing the relationship between intergovernmental and non-governmental organisations.

11. *In view of these considerations, we hereby agree to undertake the broad and balanced Work Programme set out below. This incorporates both an expanded negotiating agenda and other important decisions and activities necessary to address the challenges facing the multilateral trading system.*

**Greenpeace comment:** this paragraph should be modified consistently with our other comments contained in this document. If a new *round* is to move forward, then implementation, transparency, environmental and labour issues should be part of the negotiating agenda, not simply areas to be studied.

## WORK PROGRAMME

## IMPLEMENTATION-RELATED ISSUES AND CONCERNS

12. *We attach the utmost importance to the implementation-related issues and concerns raised by Members and are determined to find appropriate solutions to them. In this connection, and having regard to the General Council Decisions of 3 May and 15 December 2000, we further adopt the Decision on Implementation-Related Issues and Concerns in document Job(01)/139/Rev.1 to address a number of implementation problems faced by Members. We agree that negotiations on outstanding implementation issues shall be an integral part of the Work Programme we are establishing, and that agreements reached at an early stage in these negotiations shall be treated in accordance with the provisions of paragraph 40 below. In this regard, we shall proceed as follows: (a) where we provide a specific negotiating mandate in this Declaration, the relevant implementation issues shall be addressed under that mandate; (b) the other outstanding implementation issues shall be addressed as a matter of priority by the relevant WTO bodies, which shall report to the Trade Negotiations Committee, established under paragraph 39 below, by the end of 2002 for appropriate action.*

**Greenpeace comment:** Ministers in Doha must be aware that this paragraph gives effectively a mandate to subsidiary bodies of the Ministerial Conference to settle in Geneva some of the currently most controversial issues with little or no scrutiny and public participation. This would be at odds with the pledge to increase transparency.

### AGRICULTURE

13. *We recognize the work already undertaken in the negotiations initiated in early 2000 under Article 20 of the Agreement on Agriculture, including the large number of negotiating proposals submitted on behalf of a total of 121 Members. We recall the long-term objective referred to in the Agreement to establish a fair and market-oriented trading system through a programme of fundamental reform encompassing strengthened rules and specific commitments on support and protection in order to correct and prevent restrictions and distortions in world agricultural markets. We reconfirm our commitment to this programme. Building on the work carried out to date, we commit ourselves to comprehensive negotiations aimed at: substantial improvements in market access; reductions of, with a view to phasing out, all forms of export subsidies; and substantial reductions in trade-distorting domestic support. We agree that special and differential treatment for developing countries shall be an integral part of all elements of the negotiations and shall be embodied in the Schedules of concessions and commitments and as appropriate in the rules and disciplines to be negotiated, so as to be operationally effective and to enable developing countries to effectively take account of their development needs, including food security and rural development. We take note of the non-trade concerns reflected in the negotiating proposals submitted by Members and confirm that non-trade concerns will be taken into account in the negotiations as provided for in the Agreement on Agriculture.*
14. *Modalities for the further commitments, including provisions for special and differential treatment, shall be established no later than ... . Participants shall submit their comprehensive draft Schedules based on these modalities no later than ... . The negotiations, including with respect to rules and disciplines and related legal texts, shall be concluded as part and at the date of conclusion of the negotiating agenda as a whole.*

**Greenpeace comment on Paragraphs 13-14:** Greenpeace is of the view that the Agreement on Agriculture is one such agreement whose social and environment impact needs to be reviewed and assessed. The Agreement on Agriculture needs radical changes to make it compatible with food sovereignty. The required changes – a far reaching food or development box and acceptance of so-called “trade-distorting” agri-environmental programmes, would result in the removal of large parts of agriculture from the WTO while retaining limits on export subsidies.

WTO member states should agree to support, rather than jeopardise, the concept of *food sovereignty*, especially for developing countries. Emphasis should be on sovereign decision of farmers, local and indigenous communities, and national governments should agree to act in a manner that protects food sovereignty. With this in mind, the Ministerial Declaration should agree to ask the UN Commission on Sustainable Development to give consideration to the feasibility of the adoption by the World Summit on Sustainable Development (September 2002) of a Convention on Food Sovereignty and Trade.

Should this text remain, the word “*participants*”, paragraph 14, line 1, should be replaced by the word “*Members*”.

## SERVICES

*15. The negotiations on trade in services shall be conducted with a view to promoting the economic growth of all trading partners and the development of developing countries. We recognize the work already undertaken in the negotiations, initiated in January 2000 under Article XIX of the General Agreement on Trade in Services, and the large number of proposals submitted by Members on a wide range of sectors and several horizontal issues, as well as on movement of natural persons. We reaffirm the Guidelines and Procedures for the Negotiations adopted by the Council for Trade in Services on 28 March 2001 as the basis for continuing the negotiations, with a view to achieving the objectives of the General Agreement on Trade in Services, as stipulated in the Preamble, Article IV and Article XIX of that Agreement. Participants shall submit initial requests for specific commitments by ... and initial offers by ... .*

**Greenpeace comment:** Greenpeace warns that talks on services should not become a back door route for the introduction of liberalisation requirements that are analogous to investment liberalisation (see Greenpeace on paragraph 20, below). Like investment liberalisation, the deregulation of services involves far greater inroads on sovereign power to regulate health, environment and other areas (cultural, social, labour) than does the traditional GATT mandate to liberalise trade in goods. There should be a proper acknowledgement of the range of social values at stake, and a full assessment of the potential impacts.

The word “*participants*”, line 10, should be replaced by “*Members*”.

## MARKET ACCESS FOR NON-AGRICULTURAL PRODUCTS

*16 We agree to negotiations which shall aim, by modalities to be agreed, to reduce or as appropriate eliminate tariffs, including the reduction or elimination of tariff peaks, high tariffs, and tariff escalation, in particular on products of export interest to developing countries, as well as non-tariff barriers. Product coverage shall be comprehensive and without a priori exclusions. The negotiations shall take fully into account the special needs and interests of developing and least developed country participants, in accordance with the relevant provisions of Article XXVIII bis of GATT 1994 and the provisions cited in paragraph 43 below.*

**Greenpeace comment:** The reduction or elimination of non-tariff barriers should be selective, because non-tariff barriers can include many environmental restrictions at the local and national levels, that are warranted to protect human health and the environment, including biodiversity. Legitimate non-tariff barriers for the prevention of catastrophic environmental impacts and costs cannot be properly addressed under the WTO at least as long as the value of the precautionary principle has not been recognised and incorporated in WTO decision- and policy-making.

One category of non-agricultural products of great concern to environmentalists and local and indigenous communities are forests products. In order to avoid further deforestation, WTO Members should (a) agree that independent forest certification initiatives (such as the Forest Stewardship Council) should not be threatened by WTO rules; (b) agree that there should be no further trade liberalisation for non-agricultural products without a full assessment of their impacts on forests; and (c) agree that national efforts to conserve and sustainably use forests are not undermined by liberalisation of the market for non-agricultural products.

The word “*participants*”, line 6, should be deleted.

## TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS

*17. We stress the importance we attach to implementation and interpretation of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) in a manner supportive of public*

*health, by promoting both access to existing medicines and research and development into new medicines and, in this connection, have adopted a separate Declaration.*

18. *With a view to completing the work started in the Council for Trade-Related Aspects of Intellectual Property Rights (Council for TRIPS) on the implementation of Article 23.4, we agree to negotiate the establishment of a multilateral system of notification and registration of geographical indications for wines and spirits by the Fifth Session of the Ministerial Conference. We note that issues related to the extension of the protection of geographical indications provided for in Article 23 to products other than wines and spirits will be addressed in the Council for TRIPS pursuant to paragraph 12 of this Declaration.*
19. *We instruct the Council for TRIPS, in pursuing its work programme including under the review of Article 27.3(b), the review of the implementation of the TRIPS Agreement under Article 71.1 and the work foreseen pursuant to paragraph 12 of this Declaration, to examine, inter alia, the relationship between the TRIPS Agreement and the Convention on Biological Diversity, the protection of traditional knowledge and folklore, and other relevant new developments raised by Members pursuant to Article 71.1. In undertaking this work, the TRIPS Council shall be guided by the objectives and principles set out in Articles 7 and 8 of the TRIPS Agreement and shall take fully into account the development dimension.*

**Greenpeace comment Paragraphs 17-19:** The conflict between the WTO TRIPS Agreement and the Convention on Biological Diversity is a well known and well documented issue, which has been the subject of detailed debates within the framework of the United Nations Environment Programme (UNEP) and elsewhere, as well as numerous comprehensive academic studies. It is therefore ironic, and not very helpful, that the Draft Doha Declaration (paragraph 19, line 4) proposes to “examine” this issue, instead of agreeing to apply the TRIPS Agreement “subject to” the Convention on Biological Diversity. We urge Ministers in Doha to adopt this amendment, and to agree also that – as a matter of principle – there should be no patenting of life forms. By its very nature, patenting of genetic resources (the privatisation of genetic resources and the monopolisation of their use) will lead to a restriction of use rather than its facilitation, required by the Convention on Biological Diversity.

#### RELATIONSHIP BETWEEN TRADE AND INVESTMENT

20. *In the period until the Fifth Session of the Ministerial Conference, work will focus on the clarification of elements of a possible multilateral framework to secure transparent, stable and predictable conditions for long-term cross-border investment, particularly foreign direct investment, and to contribute to the expansion of trade. Core elements are: scope and definition; transparency; non-discrimination; modalities for pre-establishment commitments based on a GATS-type, positive list approach; development provisions; exceptions and safeguards; consultation and the settlement of disputes between Members; and negotiating modalities, including the question of participation. The framework should reflect in a balanced manner the interests of home and host countries, and take due account of the development policies and objectives of host governments as well as their right to regulate in the public interest. The special development, trade and financial needs of developing and least-developed countries should be taken into account as an integral part of the framework, which should enable Members to undertake obligations and commitments commensurate with their individual needs and circumstances. Due regard should be paid to other relevant WTO provisions. Account should be taken, as appropriate, of existing bilateral and regional arrangements on investment. At the Fifth Session, a decision will be taken on modalities of negotiations in this area. We commit ourselves to ensuring that appropriate arrangements are made for the provision of technical assistance and capacity building throughout, and as an element of the outcome.*

**Greenpeace comment:** We welcome the fact that no decision on investments is proposed until the Fifth Session of the Ministerial Conference. However, Greenpeace remains concerned that investment liberalisation threatens environmental and social protections. The WTO is not the place to negotiate rules for investment liberalisation, because they can have profound implications for domestic

regulations and sustainable development policies. An organisation as narrowly focussed on trade as the WTO is not equipped to handle these issues.

#### INTERACTION BETWEEN TRADE AND COMPETITION POLICY

*21. In the period until the Fifth Session of the Ministerial Conference, work will focus on the clarification of elements of a possible multilateral framework aimed at enhancing the contribution of competition policy to international trade and development. In this connection, the following elements will be addressed: core principles, including transparency, non-discrimination and procedural fairness, and provisions on hardcore cartels; modalities for voluntary co-operation; support for progressive reinforcement of competition institutions in developing countries through capacity building; and negotiating modalities, including the question of participation. Full account shall be taken of the needs of developing and least-developed country participants and appropriate flexibility provided to address them. At the Fifth Session, a decision will be taken on modalities of negotiations in this area. We commit ourselves to ensuring that appropriate arrangements are made for the provision of technical assistance and support for capacity building throughout, and as an element of the outcome.*

**Greenpeace comment:** The workplan for competition policy is flawed due to the complete emphasis on governmental policy and the total absence of a regulatory regime or convention for transnational corporations. We believe that many of the barriers to greater competition, greater benefits for developing countries, and more rapid advancement on environmental issues are due to the monopolistic power, oligopoly market structure or cartel powers of transnational companies. At Bretton Woods in 1944 the original proposal for an International Trade Organization contained a mandate for monitoring and regulating transnational corporations globally. The 4<sup>th</sup> Ministerial Conference should recommend a Convention for the International Regulation of Transnational Corporations to prevent monopoly powers and other abuses.

The word “*participants*”, line 10, should be deleted, and the word “*country*”, line 9, replaced by “*countries*”.

#### TRANSPARENCY IN GOVERNMENT PROCUREMENT

*22. We agree to negotiations on a multilateral agreement on transparency in government procurement, building on the progress that has been made in the Working Group on Transparency in Government Procurement and taking into account participants' development priorities, especially those of least-developed country participants. The negotiations shall be limited to the transparency aspects and therefore will not restrict the scope for countries to give preferences to domestic supplies and suppliers. Matters related to the nature of commitments and their implementation shall be addressed in the negotiations, taking into account the situation of developing and least-developed country participants. In the case of developing and least-developed countries, it is recognized that the implementation of the outcome shall be related to their capacities to implement and the technical assistance provided. We commit ourselves to ensuring adequate technical assistance and support for capacity building both during the negotiations and after their conclusion.*

**Greenpeace comment:** Discussions and/or negotiations on Government procurement must not restrict – but encourage -- the scope for governments to give preference to environment-friendly, sustainable supplies. Measures for the encouragement and implementation of *green procurement policies* – a goal set in UNCED *Agenda 21* and reiterated during the UNGA “*Rio+5*” Special Session of 1997 – would provide a positive incentive for environment-friendly and sustainable production and goods.

The word “*participants*”, line 3, should be deleted.

#### TRADE FACILITATION

23. *With the aim of further expediting the movement, release and clearance of goods including goods in transit, we agree to negotiations which shall build upon Articles V, VIII and X of the GATT 1994 by clarifying and improving elements of those Articles, taking into account, as appropriate, existing WTO provisions on matters related to customs and other procedures and formalities for goods trade. Matters related to the nature of any additional commitments and their implementation shall be addressed in the negotiations, taking into account the situation of developing and least-developed country participants. In the case of developing and least-developed countries, it is recognized that the implementation of the outcome shall be related to their capacities to implement and the technical assistance provided. We commit ourselves to ensuring adequate technical assistance and support for capacity building both during the negotiations and after their conclusion.*

**Greenpeace comment:** Ministers should indicate that trade facilitation should not undermine trade restricting measures established to protect the environment, including biodiversity, and human health, as part of national or international legislation (i.e. restrictions on the international trade of endangered species, hazardous wastes, genetically modified crops, weapons, etc).

The word “*participants*”, line 7 should be deleted, and the word “*country*” (same line) should be replaced by “*countries*”.

#### WTO RULES

24. *In the light of the increasing application of these instruments by Members, we agree to negotiations aimed at clarifying and improving disciplines under the Agreements on Implementation of Article VI of the GATT 1994 and on Subsidies and Countervailing Measures, while preserving the basic concepts and principles underlying them and taking into account the needs of developing and least-developed participants. In the initial phase of the negotiations, participants will indicate the provisions that they seek to clarify and improve. In the context of these negotiations, participants shall also aim to clarify and improve WTO disciplines on fisheries subsidies, taking into account the importance of this sector to developing countries.*

25. *We also agree to negotiations aimed at clarifying and improving disciplines and procedures under the existing WTO provisions applying to regional trade agreements. The negotiations shall take into account the developmental aspects of regional trade agreements.*

**Greenpeace comment, Paragraphs 24-25:** In the clarification of WTO disciplines on fisheries subsidies there should be a differentiation between subsidies that harm sustainability, marine habitats and fisheries in general, and subsidies which promote a shift to more ecologically sound gear and practices. Subsidies for increasing fishing capacity in a world where the UN Food and Agriculture (FAO) asserts that 70 % of global fisheries are fully exploited, over-exploited or collapsed should be removed. However, subsidies which establish marine reserves or assist fishers in shifting to more selective fishing gear or gear which is less damaging to marine environments reduce the risk of over-fishing, and potentially increase productivity with better habitat and less by-catch. Such subsidies should be encouraged, not prevented under the WTO disciplines of fisheries subsidies.

The word “*participants*”, paragraph 24, line 5, should be replaced by “*countries*”.

#### DISPUTE SETTLEMENT UNDERSTANDING

26. *We agree to negotiations on improvements and clarifications of the Dispute Settlement Understanding. The negotiations should be based on the work done thus far as well as any additional proposals by Members, and aim to agree on improvements and clarifications not later than May 2003, at which time we will take steps to ensure that the results enter into force as soon as possible thereafter.*

**Greenpeace comment:** As part of the negotiations on improvements and clarifications of the Dispute Settlement Understanding, WTO Member States should clarify that – on matters concerning the preservation of human health and the conservation of the environment, including biodiversity – the Precautionary Principle should prevail and be incorporated as the guiding principle of the WTO Dispute Settlement Body. Ministers should also agree that the WTO Dispute Settlement Body should accept *amicus briefs* from relevant public interest NGOs, and give them full consideration within its

deliberations. They should also agree that Dispute Settlement Panels should be transparent and open to the public.

#### TRADE AND ENVIRONMENT

*27. We instruct the Committee on Trade and Environment, in pursuing work on all items on its agenda within its current terms of reference, to give particular attention to:*

- (i) the effect of environmental measures on market access and those situations in which the elimination or reduction of trade restrictions and distortions would benefit trade, the environment and development;*
- (ii) the relationship between the multilateral trading system and multilateral environment agreements (MEAs);*
- (iii) the relevant provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights; and*
- (iv) labelling.*

*Work on these issues should include the identification of any need to clarify relevant WTO rules. The Committee shall report to the Fifth Session of the Ministerial Conference and make recommendations, where appropriate, with respect to future action, including the desirability of negotiations.*

**Greenpeace comment:** The Ministers need to clearly state now that rules governing the multilateral trading system shall not contravene *Multilateral Environmental agreement*, and that the WTO should not be used to undermine efforts by countries to protect their environment and the health of their people, as well as their markets (i.e. clean goods, labelling, etc), through trade-restricting environmental measures. Whenever new *Multilateral Environmental Agreements* are adopted, WTO rules be re-examined and modified to make them compatible with these new MEAs.

In subparagraph (i) the words “or harm” should be added between the words “benefit” and “trade”, because it is clear that circumstances exist where the elimination or reduction of trade restrictions cause harm to the environment.

Finally, Member states should take the opportunity of the opening of the 4<sup>th</sup> Ministerial Conference to declare that they are not keen to support further trade liberalisation unless the United States provide tangible evidence that they will reconsider their position with regard to the UN Framework Convention on Climate Change, and that they will ratify the Kyoto Protocol by no later than August 2002, before the World Summit on Sustainable Development.

#### ELECTRONIC COMMERCE

*28. We take note of the work which has been done in the General Council and other relevant bodies since the Ministerial Declaration of 20 May 1998 and agree to continue the Work Programme on Electronic Commerce. The work to date demonstrates that electronic commerce creates new challenges and opportunities for trade for Members at all stages of development, and we recognize the importance of creating and maintaining an environment which is favourable to the future development of electronic commerce. We instruct the General Council to consider the most appropriate institutional arrangements for handling the Work Programme, and to report on further progress to the Fifth Session of the Ministerial Conference. We declare that Members will maintain their current practice of not imposing customs duties on electronic transmissions until the Fifth Session.*

**Greenpeace comment:** Ministers should agree that any programme or agreement that would enhance electronic commerce should be accompanied by effective and prompt measures that would bridge the so-called *digital divide* to allow access of developing countries good to “electronic market”.

#### SMALL ECONOMIES

*29. We agree to a work programme, under the auspices of the General Council, to examine issues relating to the trade of small economies. The objective of this work is to frame responses to the trade-related issues identified for the fuller integration of small, vulnerable economies into the multilateral trading system, and not to create a sub-category of WTO Members. The General Council shall review the work programme and make recommendations for action to the Fifth Session of the Ministerial Conference.*

**Greenpeace comment:** Small economies are subject to trade and investment abandonment. In addition, small (and large) economies dependant of food and vital imports implies that food security is linked to manetary stability. Currency volatility can result in a nearly instantaneous and vast increase

in the prices of food or other vital imports. This places small economies at risk of sudden and severe social and economic upheaval. Increased liberalisation is often accompanied by increased volatility, which can be more damaging economically than less liberalised, but more stable economies. The Southeast Asian crisis of 1997 is a good example of how rapidly liberalised capital markets and volatility caused extensive harm to these economies.

In addition, political and economic leverage of larger trading partners against small economies can tip the terms of trade against small economies. The particular threat to small island states of submergence due to climate change should be considered by the WTO. Discussion about trade barriers without aggressive action to halt climate change will do little for some small island states, which may disappear beneath the waves.

#### TRADE, DEBT AND FINANCE

*30. We agree to an examination, under the auspices of the General Council, of the relationship between trade, debt and finance, and of any possible recommendations on steps that might be taken within the mandate and competence of the WTO to enhance the capacity of the multilateral trading system to contribute to a durable solution to the problem of external indebtedness of developing and least-developed countries, and to strengthen the coherence of international trade, financial and monetary policies, with a view to safeguarding the multilateral trading system from the effects of financial and monetary instability. We instruct the General Council to consider the most appropriate institutional arrangements for handling this work. The General Council shall report to the Fifth Session of the Ministerial Conference on progress in the examination.*

**Greenpeace comment:** Though the issue of the foreign debt does not fall within the remit of the WTO strictly speaking, the eagerness of the OECD countries to launch a new round of trade liberalisation can be an opportunity for developing countries to ask for concrete and measurable commitments with regard to the cancellation of the foreign debt of developing countries, and to fulfil their commitment to reach the agreed United Nations target of 0.7% of their GNP for Official Development Assistance (ODA) at the latest by 2002.

#### TRADE AND TRANSFER OF TECHNOLOGY

*31. We agree to an examination, under the auspices of the General Council, of the relationship between trade and transfer of technology, and of any possible recommendations on steps that might be taken within the mandate of the WTO to increase flows of technology to developing countries. We instruct the General Council to consider the most appropriate institutional arrangements for handling this work. The General Council shall report to the Fifth Session of the Ministerial Conference on progress in the examination.*

**Greenpeace comment:** Greenpeace looks forward to the General Council recommendations to the 5<sup>th</sup> Session of the Ministerial Conference on this important issue. Technology transfer must be consistent with the aims of sustainable development enshrined in the WTO constitution, and environmental justice. Reducing patent lives, banning the patenting of life forms, and in general eliminating the costs of information would cost little and may be the most effective method of technology transfer, producing the greatest welfare gains. Ministers should instruct the General Council to consider these proposals.

#### TECHNICAL COOPERATION AND CAPACITY BUILDING

*32. We confirm that technical co-operation and capacity building are core elements of the development dimension of the multilateral trading system, and we welcome and endorse the New Strategy for WTO Technical Co-operation for Capacity Building, Growth and Integration. We instruct the Secretariat, in co-ordination with other relevant agencies, to support domestic efforts for mainstreaming trade into national plans for economic development and strategies for poverty reduction. The delivery of WTO technical assistance shall be designed to assist developing and least developed countries to adjust to WTO rules and disciplines, implement obligations and exercise the rights of membership, including drawing on the benefits of an open, rules-based multilateral trading system. Priority shall also be*

*accorded to small, vulnerable, and transition economies, as well as to Members and Observers without representation in Geneva. We reaffirm our support for the valuable work of the International Trade Centre, which should be enhanced.*

**Greenpeace comment:** There has been a great deal of study of trade barriers in developing and least developed countries. These countries are not the only ones that need technical assistance. Technical assistance should be directed at assisting developed countries to identify and remove subsidies and barriers, which prohibit trade with developing and least developed countries and are environmentally harmful. Depletion allowances in the US, for example are subsidies to the fossil fuel industry, promoting CO2 emissions and distorting fossil fuel prices below true market value. There is little or no information on US, EU and Japanese export support by state, provincial, county and municipal governments, some of which appear to be vastly greater than subsidies in many developing nations. For example, the State of Washington in the US provides over \$500,000,000 in annual tax exemptions specifically for exporters alone. The WTO Secretariat appears to be obsessed with removing barriers and adjusting the economies of developing and least-developed nations without giving much attention to developed countries.

*33. We underscore the urgent necessity for the effective co-ordinated delivery of technical assistance with bilateral donors, in the OECD Development Assistance Committee and relevant international and regional intergovernmental institutions, within a coherent policy framework and timetable. In the co-ordinated delivery of technical assistance, we instruct the Director-General to consult with the relevant agencies, bilateral donors and beneficiaries, to identify ways of enhancing and rationalizing the Integrated Framework for Trade-Related Technical Assistance to Least-Developed Countries and the Joint Integrated Technical Assistance Programme (JITAP).*

**Greenpeace comment:** To insure that assistance meets the needs of recipient developing countries, Ministers should decide to what extent technical assistance from bilateral programmes and needs should be co-ordinated with the WTO. the coherent policy framework should be formulated at the national level by the recipient country, not by a collection of OECD bilateral agencies. If the WTO is going to provide technical assistance, there must be mechanisms and institutions within the WTO whereby it can be held accountable for faulty or harmful technical assistance. Such mechanisms have been needed and lacking in the World Bank and IMF for over 50 years. The WTO should also have an inspection mechanism which serves a different purpose, on which allows appeals by citizens who may be harmed by proposed agreements that their governments are considering. The Inspection Panel at the World Bank is on model.

*34. We agree that there is a need for technical assistance to benefit from secure and predictable funding. We therefore instruct the Committee on Budget, Finance and Administration to develop a plan for adoption by the General Council in December 2001 that will ensure long-term funding for WTO technical assistance at an overall level no lower than that of the current year and commensurate with the activities outlined above.*

**Greenpeace comment:** Technical co-operation and capacity building should include work in the area of the environment, to ensure that the WTO and Trade official from Member States are well aware of their obligations and duties with regard to the balance that must be maintained between environmental and trade policy. Trade officials should be trained to learn to respect and implement, rather than undermine, *multilateral environmental agreements* at the international, regional and national levels, and to incorporate the precautionary principle as a central paradigm in their work.

#### LEAST-DEVELOPED COUNTRIES

*35. We acknowledge the seriousness of the concerns expressed by the least-developed countries (LDCs) in the Zanzibar Declaration adopted by their Ministers in July 2001. We recognize that the integration of the LDCs into the trading system requires combined and inter-related action at three levels, namely: market access, trade-related technical assistance and capacity building, and supporting domestic measures to mainstream trade priority areas of action into plans for economic development and strategies for poverty reduction. We agree that the meaningful integration of LDCs into the trading system and the global economy will involve efforts by all WTO Members. We commit ourselves to the objective of duty-free, quota-free market access for products originating from LDCs. In this regard, we welcome the significant market access improvements by WTO Members in advance of the Third UN Conference on LDCs (LDC-III), in Brussels, May 2001. We further commit ourselves to consider additional measures for progressive improvements in market access for LDCs. Accession of LDCs remains a priority for the*

*Membership. We agree to work to accelerate negotiations with acceding LDCs. We instruct the Secretariat to reflect the priority we attach to LDCs' accessions in the annual plans for technical assistance. We agree that the WTO should take into account, in designing its work programme for LDCs, the trade-related elements of the Brussels Declaration and Programme of Action, consistent with the WTO's mandate, adopted at LDC-III. We instruct the Sub-Committee for Least-Developed Countries to design such a work programme and to report on the agreed work programme to the General Council at its first meeting in 2002.*

**Greenpeace comment:** These words were not included in the September 26<sup>th</sup> First Draft of the Ministerial Declaration. Statements such as: “*We acknowledge the seriousness of the concerns expressed by the least-developed countries*” gives the Declaration a tone as if only developed nations are the authors. It appears to be little more than kind verbiage intended to convince LDCs to sign onto a declaration with no fundamental difference from the September 26<sup>th</sup> Draft. If WTO Members are serious about these issues, they should be dealt with before new areas, such as investment, are brought into the WTO.

*36. We endorse the Integrated Framework for Trade-Related Technical Assistance to Least-Developed Countries (IF) as a viable model for LDCs' trade development. We urge development partners to significantly increase contributions to the IF Trust Fund and WTO extra-budgetary trust funds in favour of LDCs. We urge the core agencies, in co-ordination with development partners, to explore the enhancement of the IF and the extension of the model to all LDCs, following the review of the IF and the appraisal of the ongoing Pilot Scheme in selected LDCs. We request the Director-General, following co-ordination with heads of the other agencies, to provide an interim report to the General Council in December 2002 and a full report to the Fifth Session of the Ministerial Conference on all issues affecting LDCs.*

**Greenpeace comment:** See comments on Paragraph 3, above. In addition, the efforts by the WTO, IMF and World Bank to apply a single framework, trade and macroeconomic model for the great diversity of countries has contributed to inefficiency, ineffectiveness, and inappropriate policy. A more pluralistic approach promoting public debate, discussion and involvement in trade and economic decision-making would result in more effective and appropriate policies with greater public acceptance and co-operation. It is doubtful that this single model approach is supported by the majority of WTO Member countries.

#### SPECIAL AND DIFFERENTIAL TREATMENT

*37. We reaffirm that provisions for special and differential treatment are an integral part of the WTO Agreements. We note the concerns expressed regarding their operation in addressing specific constraints faced by developing countries, particularly least-developed countries. In that connection, we also note that some Members have proposed a Framework Agreement on Special and Differential Treatment (WT/GC/W/442). We therefore agree that all special and differential treatment provisions shall be reviewed with a view to strengthening them and making them more precise, effective and operational. In this connection, we endorse the work programme on special and differential treatment set out in the Decision on Implementation-Related Issues and Concerns.*

**Greenpeace comment:** Special and differential treatment should also apply in the area of environmental responsibility, whereby those who have been or remain the biggest contributors to global environmental problems (such as climate change due to CO2 emissions enhanced by unsustainable consumption patterns) bear more responsibility. This principle enshrined in the UN Framework Convention on Climate Change should be the basis upon which WTO Members at the 4<sup>th</sup> WTO Ministerial Conference should increase pressure on the US, with a view to that country's acceptance, ratification and implementation of the Kyoto Protocol (see Introduction, and comments to Paragraph 1, above).

#### ORGANIZATION AND MANAGEMENT OF THE WORK PROGRAMME

*38. The negotiations to be pursued under the terms of this Declaration shall be concluded not later than ... The Fifth Session of the Ministerial Conference will take stock of progress in the negotiations, provide any necessary political guidance, and take decisions as necessary. When the results of the*

*negotiations in all areas have been established, a Special Session of the Ministerial Conference will be held to take decisions regarding the adoption and implementation of those results.*

**Greenpeace comment:** See our discussion of alternatives to a new round in the Introduction, above.

*39. The overall conduct of the negotiations shall be supervised by a Trade Negotiations Committee under the authority of the General Council. The Trade Negotiations Committee shall hold its first meeting not later than ... . It shall establish appropriate negotiating mechanisms as required and supervise the progress of the negotiations.*

**Greenpeace comment:** Considering the severe problems associated with the exclusion of many Member country delegations from WTO deliberations and drafting groups, the Trade Negotiations Committee should be governed more closely. It should not be granted powers by the Ministerial Conference to “*establish appropriate negotiating mechanisms*” without clear terms of reference which prohibit the exclusion of any delegation from a drafting session.

*40. With the exception of the improvements and clarifications of the Dispute Settlement Understanding, the conduct, conclusion and entry into force of the outcome of the negotiations shall be treated as parts of a single undertaking. However, agreements reached at an early stage may be implemented on a provisional or a definitive basis. Early agreements shall be taken into account in assessing the overall balance of the negotiations.*

*41. Negotiations shall be open to:*

- (i) all Members of the WTO; and*
- (ii) States and separate customs territories currently in the process of accession and those that inform Members, at a regular meeting of the General Council, of their intention to negotiate the terms of their membership and for whom an accession working party is established.*

*Decisions on the outcomes of the negotiations shall be taken only by WTO Members.*

**Greenpeace comment:** Please note the comment above on observer status for NGOs. Clearly, the preparation of this Draft Declaration was not open to all Members of the WTO, and thus violates the goal stated in this paragraph. Please also see our comment on Paragraph 42, below.

*42. The negotiations shall be conducted in a transparent manner among participants, in order to facilitate the effective participation of all. They shall be conducted with a view to ensuring benefits to all participants and to achieving an overall balance in the outcome of the negotiations.*

**Greenpeace comment:** The action of the WTO Secretariat, the US, the EU and other supporters of a new round, in the drafting of this very declaration, have been blatantly counter to the intent and practice of transparency. To include such a paragraph in a declaration prepared with such a grave lack of transparency would be hypocritical and deceptive. Regrettably, this paragraph should be deleted until a Draft Declaration is produced “*in a transparent manner among Members, in order to facilitate the effective participation of all*”.

In any case, should this text remain, line 1, the word “*participants*” should be replaced by “*members*”.

*43. The negotiations and the other aspects of the Work Programme shall take fully into account the principle of special and differential treatment for developing and least-developed countries embodied in: Part IV of the GATT 1994; the Decision of 28 November 1979 on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries; the Uruguay Round Decision on Measures in Favour of Least-Developed Countries; and all other relevant WTO provisions.*

*44. The Committee on Trade and Development and the Committee on Trade and Environment shall, within their respective mandates, each act as a forum to identify and debate developmental and environmental aspects of the negotiations, in order to help achieve the objective of having sustainable development appropriately reflected.*

**Greenpeace comment:** To be effective, the WTO must integrate development and environment issues into the core of all the WTO agreements. The paragraph is weak and incoherent. If there is no more to it than the *objective of having sustainable development appropriately reflected*, then the paragraph might as well be deleted. The mandate should be to achieve sustainable development. In which case, merely “*to identify and debate development and environmental aspects of the negotiations*” cannot possibly be sufficient for achieving sustainable development. To achieve sustainable development, the development and environmental aspects of trade must be incorporated into every agreement and trade negotiation.

*45. Those elements of the Work Programme which do not involve negotiations are also accorded a high priority. They shall be pursued under the overall supervision of the General Council, which shall report on progress to the Fifth Session of the Ministerial Conference.*

**Greenpeace comment, Paragraphs 38-45:** In the light of the shortfalls and flaws identified in this document, there is an urgent need to implement Greenpeace’s recommendations detailed in “The Greening of Doha” (Page 10-11, in “Safe Trade in the 21<sup>st</sup> Century: The Doha Edition”, at [www.greenpeace.org/politics/wto/doha\\_report.pdf](http://www.greenpeace.org/politics/wto/doha_report.pdf)). Ministers should not proceed with further liberalisation of the world’s markets, at least until the adverse impacts of the current multilateral trading regime have not been thoroughly assessed and mitigated. Ministers in Doha should agree that major reforms of WTO rules and procedures are urgently needed. An agreement by Ministers in Doha that new rules must be developed to achieve an economic system that will support political democracy, accountability and transparency, social and environmental justice, and sustainable development, would be an excellent outcome for the 4<sup>th</sup> Ministerial Conference of the WTO. At minimum until this review and assessment have not been completed and considered, Ministers should not expand the mandate of the WTO, and the WTO should not embark in negotiations for further liberalisation.

<http://www.greenpeace.org/politics/wto/Doha/index.html>

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