

Commissioner Pascal Lamy

Opening Address

*Australia and the European Union
in the Multilateral Trade Round:
Defining the Common Ground*

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Minister Vaile, distinguished participants, ladies and gentlemen. I would like, first of all, to congratulate the National Europe Centre for its foresight and imagination in hosting this 2-day workshop. As the Doha negotiations enter their second year, and as the negotiators start to remove their gloves, it is timely to step back from the fray, take stock of the WTO negotiations with all their vast potential, to better identify what unites the EU and Australia in this major international endeavour called the Doha Round. I am sure this workshop will do so most successfully.

Notwithstanding our much publicised - and so often colourfully expressed – differences it is a fact that, on the vast majority of trade issues, the EU and Australia do share a common WTO vision. We both believe fiercely in the multilateral system as our first and best option. We both believe in the market economy and we are convinced through our own experiences, that progressive trade liberalisation is the way to attain growth and development, for us and for all our partners. We recognise too, that the freedom to trade is a basic freedom which needs from all of us, a permanent and profound commitment.

This is why for us both, the market access potential of the Doha Round is the great prize to aim for. We have in front of us major challenges of

further substantial progress towards increased liberalisation in agriculture, in industrials and in services. The Round has enormous possibilities to make our societies wealthier, to liberate energies and therefore reinforce growth and lead to more equitable development in the developing world. The EU and Australia are both highly dependent on international trade, and we are determined to open up new opportunities for our manufacturers, farmers, service industries, and investors. We are equally determined to see developing countries reap these gains, and exploit the enormous untapped potential of trade between themselves.

But Australia and the EU also understand that a market economy is not the same as a market society. In other words that, as we liberalise and as we globalise, we must maintain and strengthen the system of multilateral rules that we need in order to manage the globalisation process in a fair way. And that is why, in the Doha Round, the rule-making agenda is the key complement to the market access agenda. Whether it be improving existing rules – such as subsidies and anti-dumping – or creating new rules, as in investment and competition, we have a set of vital aims. First, to ensure that liberalisation gains are made more secure, predictable and more deeply rooted. Second, to ensure that the rule-book keeps abreast of new ways of doing business in an increasingly complex global economy. And

third, to ensure that in liberalising we support, and do not impede, sustainable development. I believe we both share these aims.

Minister, ladies and gentlemen. This workshop is particularly timely as we approach the end of 2002 and a set of crucial deadlines for the Doha Round. But already the newspapers and other assorted “doom-mongers” are claiming that the Round is going nowhere - that it has run into a brick wall - or even that the Round is dead.

This is pure mischief. To paraphrase Mark Twain, reports of the death of the WTO, or even its temporary incapacity are, I submit, greatly exaggerated. If we compare where we are now with the equivalent point of the Uruguay Round, we are clearly in better shape and negotiations are making progress. All of us are deeply committed to keeping the negotiations on track; all of us are determined to respect the agreed deadlines; and all of us are determined to deliver a result by the agreed final deadline of 2004; and finally all of us are highly ambitious in terms of what we want and expect to achieve.

This opportunity is simply too great to lose. Furthermore, when we look around the world, the prospects are none too cosy. Against this

background, we need the growth that the Doha Round can deliver, we need the rules, the transparency and the predictability that it can bring, and we need this international cooperation to bring about economic growth in the medium term.

Minister, ladies and gentlemen, the EU and Australia each have a major responsibility to ensure the success of the Doha Round. We face our first major test in the coming days when we must arrive at a decision in the WTO to help life-saving drugs reach the poorest countries under the TRIPS Agreement, as well as a decision by the end of the year on special and differential treatment.

Thereafter, we face a whole series of intimately linked deadlines and decisions - on the negotiations on geographical indications and their extension, on the setting of modalities in agriculture and industrial goods, on the request and offer process in Services, on the completion of the DSU negotiations, and at Cancun itself, on the formal launch of negotiations on the new issues.

This intricate structure is called the single undertaking, and if one piece, one brick in the edifice is removed or weakened, the whole building risks

tumbling down. I am sure though we will not let this happen, and that the EU, Australia, and all other WTO members with a stake in the outcome will aim for a comprehensive success that meets the interests of us all.

This workshop, by helping us better understand the issues at stake, by identifying where the difficulties lie and how we might overcome these, and by identifying, or I hope confirming the scope for much closer partnership between the EU and Australia to make the partnership really operational, can help to bring us that success. I wish the workshop well!

12 December 2002