



Brussels, 13 December 2011

BACKGROUND¹

FOREIGN AFFAIRS COUNCIL - TRADE ISSUES

Wednesday 14 December in Geneva

The Council will meet at 15:00 on Wednesday to prepare the EU's position at the WTO ministerial meeting, which will be held in Geneva on 15-17 December, with the aim of providing political guidance for the organisation's work during 2012-13 and taking decisions related mainly to least developed countries.

*The Council is also due to give the go-ahead to the Commission to open bilateral negotiations with **Egypt, Jordan, Morocco and Tunisia**, with a view to establishing "deep and comprehensive" free trade areas.*

*The Council is expected to approve, on behalf of the EU, the accession of **Russia** and **Samoa** to the WTO.*

As part of a broader package, four bilateral trade agreements with Russia will be signed in the margins of the meeting.

*Other decisions to be taken by the Council include approval of an anti-counterfeiting trade agreement and EU support for the granting of a waiver enabling WTO members to give preferential treatment to services and service suppliers of **least-developed countries**.*

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¹ This note has been drawn up under the responsibility of the press office

WTO MINISTERIAL CONFERENCE

The Council will hold an exchange of views in preparation for the 8th ministerial conference of the World Trade Organisation, to be held at WTO headquarters in Geneva on 15-17 December.

WTO ministers expected to provide political guidance for the WTO's work during 2012-13 and to take decisions relating mainly to the needs of least-developed countries.

A summary of the conference output, produced by the chairman of the conference, the Nigerian trade minister, is expected to consist of two parts: A consensus part, agreed by members of the WTO General Council on 30 November, will focus on three elements:

- importance of the multilateral trading system and the WTO;
- trade and development;
- Doha Development Agenda (DDA).

The second part, produced under the chairman's responsibility, will reflect areas in which ministers' interventions show converging priorities for the WTO's work.

The EU Council is expected to emphasise the following points:

- Excessive focus on market access is a major reason for the impasse that the DDA has reached.
- Risks to the effectiveness of the multilateral trading system include an inability to update the rulebook and pursuit of trade liberalisation outside the multilateral umbrella.
- Need to discuss interplay between multilateral trading system and regionalism.
- The DDA should be advanced in the short term by pushing for agreements on least developed country issues, trade facilitation and non-tariff barriers.
- Conclusion of the DDA will require compromise on market access between developed countries and the most advanced developing countries.
- Need to counter the risks of growing protectionism by reinforcing transparency.
- Ensuring the relevance of the multilateral rulebook by examining emerging global challenges.

Launched in Doha in 2001, the DDA is aimed at achieving a major reform of the international trading system through the introduction of lower trade barriers and new trade rules, covering about 20 areas of trade including services, agriculture, intellectual property and non-agricultural market access. The negotiations also have as a fundamental objective to improve the trading prospects of developing countries. The talks have however remained in an impasse since 2008 in the absence of an agreement on "*modalities*", which would transpose political commitments made by WTO members into figures.

OTHER ITEMS ON THE AGENDA:

The Council is expected to approve the following items without discussion.

Free trade agreement with southern Mediterranean countries - Negotiating mandate

The Council is expected to authorise the Commission to open bilateral negotiations with Egypt, Jordan, Morocco and Tunisia, with a view to establishing "deep and comprehensive" free trade areas, as part of the existing Euro-Mediterranean association agreements with those countries. Talks will start pending the outcome of a Commission report assessing the ability of partner countries to negotiate and implement commitments as part of a free trade agreement.

The aim of the negotiations is to upgrade the Euro-Mediterranean association agreements with the four countries in order to substantially enhance market access, improve the investment climate and support economic reforms in the partner countries.

In response to events of the so-called Arab Spring, the European Council in March asked the Commission to present proposals on how to further enhance trade and foreign direct investment in the region, in the short, medium and long term. In June, the Council invited the Commission to submit recommendations for the negotiation of deep and comprehensive free trade areas². It agreed that the EU should seek to improve market access opportunities including, where appropriate, by extending trade concessions, taking into account the particular circumstances of each partner country.

Accession of Russia to the WTO

The Council is expected to adopt a decision approving, on behalf of the EU, Russia's accession to the WTO.

As part of a broader package, the Commission, on behalf of the EU, has negotiated a series of market opening and other regulatory commitments by Russia, which are set out in the Protocol of Accession to the WTO.

The following commitments are included in the protocol:

- administration of tariff-rate quotas applying to exports of wood from Russia to the EU;
- a compensation mechanism to ensure that imports of parts and components of motor vehicle from the EU to Russia do not decrease as a result of application of the investment regime in the automotive sector;
- preservation of commitments on trade in services contained in the current EU-Russia partnership and cooperation agreement;
- introduction or increase by Russia of export duties on raw materials.

Bilateral agreements confirming these commitments will be approved by the Council and signed in the margins of the meeting³.

² Conclusions adopted by the Council on 20 June.

³ At the Russian Embassy in Geneva.

Accession of Samoa to the WTO

The Council is expected to adopt a decision approving, on behalf of the EU, Samoa's accession to the WTO.

Preferential treatment for services from least-developed countries

The Council is expected to adopt a decision approving, on behalf of the EU, the granting by the WTO ministerial conference of a waiver enabling WTO members to give preferential treatment to services and service suppliers of least-developed countries.

By supporting the request for a waiver, the EU intends to facilitate conclusion of part of the Doha Development Agenda negotiations on services.

Anti-counterfeiting trade agreement

The Council is expected to adopt a decision authorising the signing of an anti-counterfeiting trade agreement (ACTA) between the EU and Australia, Canada, Japan, the Republic of Korea, Mexico, Morocco, New Zealand, Singapore, Switzerland and the United States.

ACTA is aimed at establishing an international framework to improve the enforcement of intellectual property right laws and create improved international standards for actions against large-scale infringements of intellectual property. Negotiations were concluded in November 2010.
