

EUROPEAN BUSINESS WELCOMES G8 STATEMENT AND LOOKS FORWARD TO AMBITION BEING PUT BACK ON THE TABLE AT THE UPCOMING WTO MINISTERIAL MEETING

A mini-Ministerial meeting will take place at the WTO in Geneva starting July 21st to decide on Agriculture and NAMA modalities and to progress Services negotiations.

At such a critical moment, we, the undersigned business organisations, call on Ministers to make the breakthrough needed to enable successful completion of the Round.

1. An ambitious and balanced Doha deal will bring systemic benefits of the highest importance to business:

- A strong and balanced outcome, which is beneficial to both developed and developing countries, will reinforce the multilateral trading system. It will act as a shield against emerging protectionist pressures, which threaten the international trade and investment flows at the heart of European prosperity. A new WTO agreement will allow Europeans to build on the substantial and tangible benefits Europe has reaped from the international economy to date. According to recent study "Globalization and Europe: Prospering in the New Whirled Order":
 - Share of EU exports in world trade increased from 40.8% in 2000 to 41.7% in 2006;
 - Over the past 10 years the EU economy has created 18 million more jobs than it has lost;
 - Europe attracted nearly 50% of global Foreign Direct Investment (FDI) inflows between 2000 and 2006;
 - Consumers are the biggest winners: lower prices; greater availability and variety, lower interest rates.
- It will reinforce the WTO as a guarantor of critical legal rights for companies engaged in international trade and investment. Without the multilateral trading system, international business faces tortuous mazes of rules, unnecessary costs, unpredictability and, ultimately, discrimination. European exports depend on WTO disciplines and access to fast-growing markets such as China, India, South-East Asia, and South America. 95% of world consumers are outside the EU.

2. An ambitious and balanced deal will bring commercial benefits to business and to European and global economies provided that:

- In NAMA (Non Agricultural Market Access), it delivers significant new market access through real cuts in tariff and non-tariff barriers (NTBs), key sectoral deals including participation by strong emerging economies, a strong "anti-concentration" clause that prevents the exclusion of whole sectors from tariff cuts, and a mediation mechanism to tackle NTBs. The draft NAMA modalities of July 10th need therefore to be further improved to live up to original NAMA objectives.
- In services, it not only binds existing market access, but concretely delivers new trade liberalisation, especially by improving WTO members' multilateral commitment to tackle NTBs.
- In agriculture, it delivers substantial reductions in trade-distorting subsidies and significant improvements for market access in all countries.
- In the other areas of the negotiations, it delivers a balanced system of rules governing anti-dumping and anti-subsidy actions, tariff and quota free access for all exports from least developed countries (LDCs), effective "aid for trade" and an agreement on trade facilitation.

We feel that now is the crucial moment in determining the fate of the Doha Round. During a time of international economic uncertainty, successful conclusion of the Doha Round will revitalize and strengthen internationally agreed rules and market opening, and provide a much needed confidence boost to the global economy and its stakeholders: large and small businesses, employees and workers, as well as consumers. We urge WTO member countries to demonstrate leadership and do their utmost to ensure an ambitious and balanced agreement is reached by early 2009.

