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FAIR TRADE AND SEATTLE WORLD TRADE ORGANISATION POSITION PAPER

IFAT believes that there should be a World Trade Organisation but that it needs to be radically reformed if it is going to develop international trade rules which are fair and just and which benefit people in all countries equally.

PRINCIPLES:

Three key principles underpin our position:

- 1) The need for an evaluation now of the implications of current World Trade Organisation rules and regulations for sustainable development.
- 2) The need for a moratorium on the extension of the scope and powers of the World Trade Organisation.
- 3) The re-establishment of the world trade system on a more democratic, more transparent and more just footing in order to bring about fair and sustainable trade.

The final agreement of the GATT Uruguay Round, signed at Marrakech, proclaimed a real willingness on the part of member governments to share the riches of the world more equitably.

Five years later, it is clear that the system of world trade has reinforced the position of the richest countries in the world, and armed the multinational companies in their crusade to open up all markets and to deregulate national economies. This is happening to the detriment of national development policies in most poor countries.

It seems to us in IFAT that the time has come to adjust the rules of world trade to generate the greatest benefit possible for people in the poorest countries.

IFAT recommends specifically that there should be:

- an evaluation of the final agreement of the Uruguay Round from the point of view of its impact on sustainable development, the environment and the strengthening of human rights (social, economic and political), particularly in developing countries.
- a stop to any further extension of the scope and powers of the World Trade Organisation. The Conference in Seattle should extend the mandate of the working groups on investment and procurement for a further four years. WTO working groups should be enlarged to include representatives of Non-Governmental Organisations (NGOs).
- a thorough reform of the functioning of the WTO. There is a lack of transparency and democracy in the processes of decision making, monitoring and dispute settlement. The Seattle Conference should take measures which guarantee greater transparency, greater democracy and greater participation by developing countries.

DISADVANTAGED PRODUCERS

We ask for special consideration to be given by the ministerial conference to products from the least developed countries which have particular implications for disadvantaged producers. In particular we ask for:

- a zero tariff for all products from least developed countries.
- accelerated implementation of the Agreement on Textiles and Clothing.
- a zero tariff for craft products from developing countries.
- relaxation of the Rules of Origin for products from the least developed countries.
- Technical assistance to developing countries in meeting product standards.

LABOUR STANDARDS

We propose that the Seattle Conference puts in place a joint WTO/ ILO forum - which should include representatives of international NGOs - to discuss the impact of international trade on labour standards and to seek ways to improve the implementation of the ILO conventions without imposing trade barriers on developing countries.

THE AGRICULTURE AGREEMENT

If the poorest countries are placed in direct competition with countries with lower cost agricultural systems, they will continue to be impoverished. The liberalisation of world trade in agricultural products undermines national economic and agricultural policies. Developing countries should be allowed to protect their markets and support their agriculture in order to ensure their food security.

We, IFAT, believe that various parts of the Marrakech agreement on agriculture should be renegotiated in the following way:

- All new agreements should clearly reinforce food security.
- Developing countries should be able to protect their production and agricultural market.
- The Marrakech agreement on compensation of prices for agricultural production for net importing countries should be maintained and reinforced.
- An anti-dumping programme should be introduced which should bring about an immediate cessation of export subsidies.
- The WTO should consider introducing financial support to assist impoverished agricultural countries and in particular their small producers.

THE INTELLECTUAL PROPERTY RIGHTS AGREEMENT (TRIPS)

Article 27.3 (b) of the Marrakech Agreement on TRIPS should be revised to exclude expressly from its field of application the patenting of all living organisms: animals, plants and micro-organisms without any distinction. We expect the Seattle Conference to be categorical on this point.

REFORMING THE WTO SYSTEM

We request the ministerial conference to take all measures to make the WTO more open, more transparent and more democratic.

We ask that the participation of developing countries and NGOs in the decision making processes of the WTO should be expanded to include all preliminary consultations, discussions and decision making.

We ask that all proposals for new rules or agreements are made public at least six months before the start of negotiations in order to allow civil society to absorb and understand them, and then have the chance to influence governments and parliaments in all member countries.

All member countries of the WTO should be invited to take part in all negotiations including informal working groups and the meetings where important decisions are taken. The practice of small informal groups taking decisions for all member countries should be stopped. November 1999