

## **EC's Positions on Various Doha Files**

### **1. Agriculture**

#### **With regard to positions on substantive issues for developed countries in Agriculture negotiations:**

##### **1. New TRQ Creation:**

Since the designation of sensitive products by developed countries is associated with compensation through expansion of tariff rate quotas, there is a point of difference among members as to whether (1) sensitive products should only be selected from tariff lines where there are tariff rate quotas or (2) new tariff rate quotas can be created for sensitive tariff lines.

The EU is a proponent for maximum flexibility for developed countries to create new TRQs for their sensitive tariff lines without restrictions.

##### **2. Tariff Capping:**

The EU is of the view that tariff caps (the provision that the maximum after tariff reduction is 100%) should not apply to sensitive products. However, it can go along with the December 2008 draft modalities text which allows tariffs on sensitive products to exceed 100% on condition that a compensation is provided by the concerned countries through additional expansion of tariff rate quotas imposed on such products.

#### **Substantive Issues for Developing Countries in Agriculture Negotiations:**

##### **1. Cotton:**

The December 2008 draft modalities text reflects the original C4 proposal regarding ambitious reductions of amber box support at higher rates than other products, at one third the implementation period of other products. The text also adds the concept of reducing the domestic support provided to cotton by 50% when transferred from the amber box to blue box (A transfer rate of two to one).

The EU supports the original C4 proposal, yet it rejects the concept introduced by the modalities text concerning the transfer rate of two to one due to policy sensitivity for some member states of the EU.

##### **2. Special Products:**

No clear position currently. Although it wants to restrict such a flexibility, it may go along with the current modalities text.

### **3. Special Safeguard Mechanism (SSM):**

The EU would like to restrict the use of the SSM, but its position is less strict than the USA. Currently, it calls for thorough technical discussions on SSM to bridge the gaps with a sense of approaching the end game, as it is of the view that this issue is highly technical and political.

### **3. Non-agricultural market access negotiations**

#### **1. Formula and Flexibilities:**

The EU has not objected to the numbers which were included in the latest draft of the Chairman's text on NAMA modalities issued in December 2008, although they have indicated their need to have more transparency on how developing countries will use this flexibility and have insisted on the existence of the anti-concentration clause.

It is also worth mentioning that the EU has always opposed increasing the gap between the value of the coefficient for developing and developed countries. They have also denounced the calls for reducing the value for developed countries coefficient.

#### **2. Sectorals :**

The E.U. prefers option 1 in annex 7 as it contains both the participants in the different sectorals which are the proponents themselves, in addition to members having announced their readiness to participate in the different sectorals. The EU wants to ensure the participation of certain members, including India, Brazil, and China, in the different sectorals including industrial machinery, chemicals, and gems and Jewellery.

It is also worth mentioning that the EU has proposed a close to zero sectoral in textiles and clothing and footwear sector.

#### **3. NTBs:**

The EC has a number of proposals related to sector specific NTBs including electronics and electrical products, automotives, labelling of textiles and clothing , export taxes and the Horizontal Mechanism.

In addition, together with India the EC have presented a recent paper on the cross-cutting issues across all NTB proposals, they want to have the cross-cutting issues as chapeau for all proposals.

#### **4. Preference erosion:**

The EC shares the view that the current text is a delicate balance.

#### **5. Country Specific Flexibilities:**

The EC believes that a solution can be found for these countries at the final stages of the negotiations.

### **3. Trade in Services**

#### **EU general position:**

- Since the beginning of 2009, EU held several bilateral meetings as a way of accelerating the pace of services negotiations as well as reaching concrete outcomes in the negotiations.
- Still insists on extending negotiations on government procurement to Market Access, National Treatment and Most Favoured Nation Treatment. Most countries including **Egypt** are against the EU proposal as they emphasize on limiting the scope of the negotiations to transparency only.
- Try to freeze negotiations on domestic regulation as a result of the slow pace of services negotiations, however developing countries including **Egypt** insist on continuing discussion on domestic regulation and emphasize on the importance of issuing a text for domestic regulations before the end of the round.

#### **Specific Commitments Negotiations:**

**Requests and Offers:** EU has submitted its initial and revised offers, although it included many sectors and sub sectors, still the horizontal section is very complicated. In addition, no improvements were made in mode 4 (movement of natural persons), which is of main interest to Egypt.

**In the context of the Plurilateral negotiations,** EU has submitted 13 plurilateral requests to Egypt as follows:

- Financial services.      - Postal and couriers.      - Telecommunication services
- Environmental services.      - Energy services.      - Computer services.      -
- Construction services.      - Legal services.      - Distribution services.      -
- Maritime Transport services.      - Air Transport services.      - Logistics services.
- Mode 3 (Commercial Presence)

**During the signaling conference,** the EU highlighted its intention to remove the three remaining equity limitation on telecommunication services, and to improve its commitment on “Contractual Services Suppliers” and “independent Professional” which are of main interest to Egypt.

### **4. Trade and Development**

**On Aid for Trade** , The EU asserts that total European Union (EU) Aid for Trade had reached €7.17 billion in 2007( Africa region receiving the highest proportion at about 44 per cent).

The EU focusing its attention on regional integration, through which offering comprehensive support to have Economic Partnership Agreements (EPAs) based on regional programmes.

The EU has also prioritized infrastructure for both developing and least-developed countries.

The EU confirms strong commitment to Aid for Trade adopted in 2007.

## **5. Trade and Environment**

### **I. Multilateral environmental agreements (MEAs)**

- Conceptual approach.
- Specific Trade Obligations (STOs) should not only include trade measures explicitly provided for and mandatory under the MEA, but also trade measures that are neither explicitly provided for nor mandatory under the MEA itself but that are relevant and necessary to achieve a specific environmental objective as well as trade measures that are not required in the MEA, but which Parties decide to implement if the MEA contains general provisions that calls these Parties for the adoption of more stringent measures.

### **II. Information Exchange**

- The EC wants the MEAs to be granted automatically the observer status.

### **III. Trade barriers on environmental goods and services**

The EU favours a list-based approach and calls for negotiations on a broad list of EGs that would fall under the category "goods used in pollution control and resource management" and the category "goods that have a high environmental performance or low environmental impacts."

Under the first group the EU would consider as EGs only products that help to reduce emissions or resource consumption. Such list corresponds to the OECD list on which most WTO Members agreed, under the second list, however, products classified through certification and labeling standards would be considered as EGs<sup>1</sup>. Such an approach would extend the definition of EGs to products' process and production methods ("PPMs").

Egypt refuses the EC's proposal.

## **6. Rules**

### **I. Annex A: Anti-Dumping**

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<sup>1</sup> For example, any product carrying a label issued by a scheme included in the existing international network Global Ecolabelling Network ("GEN") can for the EC be considered as an EG

#### 1. Zeroing:

- Opposes zeroing.

#### 2. Substantive requirements:

- Submitted number of proposals calling for the inclusion of mandatory lesser duty rule in dumping; most importantly, taking the public interest of the representations of domestic interested parties into account when deciding whether to impose a duty.

#### 3. Procedural requirements:

- Calls for transparency requirements and tabled a proposal to set up procedures for review.

#### 4. Special and differential treatment:

- In favour of detailed introduction of special and differential treatment provisions, but states that the proposal does not provide much flexibility.

### **II. Annex B: Subsidies**

- Supports the amendments regarding the calculation of amount of subsidy for the beneficiary and is a proponent of the transposition of amendments with respect to the Anti-Dumping Agreement into the SCM Agreement on condition that this transposition is done cautiously.

### **III. Annex C: Fisheries Subsidies:**

- Opposes the comprehensive rules (along with Japan, Korea and to a lesser extent Norway) and new prohibiting disciplines. Exceptions should be linked to fishery management system and limitations and conditions should be clear.

## **7. Trade facilitation**

- The EC wants disciplines on fees and charges imposed on or in connection with importation and exportation, authorized traders, coordination of activities and requirements of all border agencies, elimination of pre-shipment inspection, elimination of the use of customs brokers and considers that matters related to goods transit "consignments which are being transhipped shall not be subject to transit procedures."

## **8. Dispute Settlement**

- In favour of the possibility of amicus curiae briefs before DSB and the reduction of the consultation period from 60 days to 30 days. Supports the establishment of a specific list of panelists to select from among them..

## **9. Intellectual Property Rights**

- Brazil, EC, Switzerland and India: Submitted the position TN/C/W/52, which states that text based negotiations need to take place, in Special Sessions of the TRIPS Council and as an integral part of the Single Undertaking, to amend the TRIPS Agreement to (i) establish a register of geographical indications (GIs) for wines and spirits protected by any of the WTO Members; (ii) include a mandatory requirement for the disclosure of the country providing/source of genetic resources, and/or associated traditional knowledge for which a definition will be agreed, in patent applications; (iii) extend the additional level of GI protection currently granted to wines and spirits to all products, including the extension of the Register; and (iv) include CBD and GI issues in the Horizontal Modalities as part of the Single Undertaking through text based negotiations.