

STATEMENT BY AMBASSADOR LINNET DEILY

ON THE

FOLLOW-UP TO THE CANCUN MINISTERIAL CONFERENCE

WTO GENERAL COUNCIL MEETING, DECEMBER 15, 2003

- I would like to express our appreciation to the Chair for his report and for his suggestions on the way forward. The report provides a comprehensive and balanced picture of the work we have done since Cancun.
- The United States remains firmly committed to the successful conclusion of the DDA. While we would have hoped for more than the modest progress that has been recorded since September, we can see that there has been an effort to rebuild trust and confidence. That is an important first step. It is also important that we have spent this time engaging on substance, even if this has not yet led to the convergence that we are all seeking. Most importantly, this work has brought us to a point where the Membership is ready to renew its efforts to advance the DDA.
- Like others who attended the APEC meeting in Thailand in October and many others here in Geneva, the United States is prepared to build upon the text of September 13 as a means of going forward. Obviously, adjustments will necessarily need to be made, but we remain of the view that it provides a point of departure for serious discussions. Let me assure others that we are ready to build upon the Cancun text to advance our common objectives in negotiations. Our aim continues to be to try to see where further work will yield compromises that ensure we have an ambitious outcome. Mr. Chairman, the specific questions and issues that you have highlighted in your statement will be helpful in this effort.
- At the November 18 consultations, you reported on progress to date and your sense of the issues.
- In agriculture, you asked us to reestablish the links between the three pillars and consider whether the package could include greater reductions in domestic support, a stronger commitment on elimination of all export subsidies, and a renewed sense of common commitment on market access. These aren't easy issues, but there does seem to be a

willingness to look at these questions to help shape the way forward. With the Cancun text as our foundation, we have something on which to build. We are ready to continue this work.

- Similarly on NAMA, we share the concerns of several other delegations that the text as it stands does not meet our ambitions or expectations. You have rightly flagged the issue of the formula and sectoral approaches as being particularly difficult, along with other problems. We do not see any of these issues as insurmountable, that is, if all of us are interested in improving effective market access opportunities for one another. If the answer is yes, then we can build out the text here as well.
- On the Singapore issues, we agreed to follow your lead and have focused on the questions of trade facilitation and transparency in government procurement. We thank DDG Yerxa for leading consultations aimed at clarifying issues.
 - Well before Cancun, the United States advocated taking each of the Singapore issues on their merits. We still think this makes good sense and do not believe that we need to resolve all four issues before we resolve any.
- On cotton, we agree that there are two substantive issues that need attention: the trade-related aspects and those development-related that are more in the purview of technical assistance and capacity building here in the WTO, and the subject of other programs by the IFIs.
- Cotton was not singled out as an issue in the DDA mandate - any more than horticultural products were - so we stand ready to see how best to move these interests forward, recognizing that for some of our partners, this is "the" issue in the negotiations. We believe that the best way to deal with the trade related aspects of the issue is as an integral part of the agriculture negotiations.
- On process, overall it's clear that everyone is looking to start fresh in the new year. We should put a plan in place by the February General Council or soon thereafter that allows the work to begin again and proceed. How detailed a plan is yet to be determined.
- We know that you will be consulting on chairs in the days ahead, which obviously will be an important part of our continuing process.

- In our informal consultations some have argued that the issues need to remain in the HODs process; others want to reactivate the TNC and its negotiating groups. Our own sense is that some type of hybrid approach is likely to be necessary. At a certain point, we think that to move forward, we will need to engage on the broad agenda in the DDA, and not just the four issues identified thus far.
 - To be credible, a work plan needs to ensure that all the negotiating and issue areas on the agenda have a good basis to resume. Whether some or all of this preparatory work should go on in the HODS, is a subject that we would like to explore further.
- No matter what we decide on the way we structure our work, there is simply no substitute for substantive engagement among delegations. We need to get out of the habit of trying to negotiate with Chairs and negotiate with one another instead.
 - We stand ready to work with other partners to move the DDA negotiations forward in a positive direction. In closing I would like to express our thanks and admiration to the Chair for his leadership and untiring efforts before, at and after Cancun to move the negotiations forward.