



PRESS RELEASE

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European Services Businesses call upon all WTO Members to ensure success in Cancun

The European Services Forum (ESF), representing the European private services industry, calls on WTO Governments to make the utmost effort to ensure success at the WTO Ministerial Conference taking place in Cancun (Mexico) next week (10 to 14 September 2003).

The ESF reminds trade negotiators that the world economy, and the European economy in particular, cannot afford bad news on the international trade front. Most of the world's developed economies are in the red. Unemployment is rising again in many countries. Markets and companies need positive signals to commit to new investment. Given the rather gloomy atmosphere in the developed economies, high expectations are resting on the role of the WTO in re-launching international trade and investment. Only the prospect of the opening of new markets, particularly in the services sectors – which represent more than 70% of the European economy and also more than 50% of GDP in the very large majority of the developing countries – will generate new investment and create growth and new jobs.

Cancun must deliver a positive message. Failure to do so will undoubtedly worsen the economic crisis. It will also put the multilateral trading system at risk. Businesses call on governments not to forget that bilateral and regional trade agreements cannot be a real substitute for the WTO system in bringing back confidence in world trade, in the interests of developed and developing countries alike.

In economic terms, services are significantly more important than agriculture, and the ESF urges the WTO members to be as flexible as possible in agriculture negotiations. The agreement on the internal reform of the common agricultural policy as well as the reasonable Joint EU-US Negotiating Proposal issued mid August, which ESF welcomes, should make it easier to achieve positive progress at the talks in Cancun and thereafter.

ESF also calls on WTO members to adopt the necessary modalities to launch the negotiations on the “Singapore issues” - Trade and Investment, Trade and Competition, Trade Facilitation and Transparency on Public Procurement. Agreement in these four areas will help to reinforce the efficiency of the global trading system.

ESF urges all WTO Trade Ministers to keep these messages in mind when meeting in Cancun:

- ✓ The world economy cannot afford a failure in Cancun;
- ✓ Do not let progress in the WTO services negotiations become a hostage to agriculture;
- ✓ Do launch the negotiations on the “Singapore issues”, without trying to anticipate the results;
- ✓ Let's conclude the DDA round on schedule in December 2004.

[ENDS].

The European Services Forum (ESF) is a network of high-level representatives from the European Services Sector committed to promoting the interests of European services and the liberalisation of services markets throughout the world through WTO Services Negotiations. It comprises more than 40 major European service companies and more than 40 European service sector federations covering more than 80% of the exporting service sectors like financial services, tourism, telecommunications, air and maritime transport, business and professional services, distribution, postal and express delivery, IT services, energy services and the audio-visual industry (see list of members and position papers in the web-site: www.esf.be).

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