

CO-OPERATIVE G8 ACTION ON TRADE

1. We stress our faith in and commitment to the multilateral trading system, which has contributed so much to international growth, stability and sustainable development for over fifty years. We believe that continued trade opening, combined with stronger international trade rules and disciplines, represents the optimum path to global growth, both in the G8 countries and elsewhere, and particularly in developing countries. The multilateral system embodied in the World Trade Organisation (WTO), and the current Doha Development Agenda, is thus central to the G8's approach to energising the global economy, increasing employment, spurring sustainable development, improving international governance, and eradicating poverty.

2. We will promote the multilateral system by providing leadership in the ongoing negotiations so that improved access to markets for all WTO members is realised, particularly for the poorest, to ensure their integration into the multilateral system, and their development more broadly. We are therefore committed to delivering on schedule, by the end of 2004, the goals set out in the Doha Development Agenda, and to ensuring that the Cancun Ministerial Conference in September takes all decisions necessary to help reach that goal.

3. To these ends, we direct our ministers and officials to pursue urgently with WTO partners the actions outlined below:

3.1 Work towards an agreed framework for finalising the negotiations to achieve further substantial opening of trade in all areas, including in agricultural and non-agricultural goods, and in services, in order to benefit economic growth, trade and employment. In so doing, we will pay particular attention to those areas of interest to developing countries;

3.2 Work towards strengthening the existing WTO rules and disciplines, as well as developing further multilateral rules, so as to provide fairer, less distorted, more transparent and more predictable conditions for world trade, and as a contribution to improved international governance;

3.3 Establish a multilateral solution in the WTO to address the problems faced by developing countries with insufficient or no manufacturing capacities in the pharmaceutical sector, before the Cancun Ministerial, rebuilding the confidence of all parties involved in this issue. Pending a WTO solution, to address the practical problems faced by such countries, we note that many of us have instituted moratoria on challenging any Member of the WTO that, according to the scope and modalities defined in their respective moratoria, would want to export to a country in need medicines produced under compulsory license for addressing public health crises, including those relating to HIV/AIDS, tuberculosis and malaria and other epidemics.

3.4 In accordance with the Doha mandate, seek agreement on the negotiating modalities for each of the

four Singapore issues of investment, competition, transparency in government procurement and trade facilitation;

3.5 Deliver capacity building technical assistance to developing countries in need to help them participate fully in WTO negotiations, implement trade agreements, and respond to the trade opportunities created, in co-operation with other bilateral and multilateral donors; US\$ 1.7 billion has been provided in 2002, representing a 16% increase over 2001.

3.6 Better integrate trade, finance and development policies, and by using relevant institutions, make trade an engine for economic growth and help developing countries make the transition to full participants in the global economy;

3.7 In recognition of the fact that preference programmes for poor countries have an important transitional role in bringing them into the global trading system, improve our preferential trade agreements and/or programmes with developing countries, in terms of increased market opportunities, stimulating regional integration and trade between developing country partners, and ensuring that the rules and procedures underpinning programmes and/or trade agreements do not constitute barriers to the enjoyment of the preferential benefits nor impede multilateral trade liberalisation envisioned as part of the Doha agenda. We will each work to ensure that the rules (particularly rules of origin provisions and documentation requirements) do not inadvertently preclude eligible developing countries from taking advantage of preference programmes.