

Doha Round: EUROCHAMBRES regrets collapse of negotiations and fears rise of protectionism

After two marathonic weeks of negotiations in Geneva, the Doha Development Agenda (DDA) of multilateral trade talks ended yesterday without an agreement.

Commenting on the collapse of the talks, Dirk Vantighem, Director of International Affairs at EUROCHAMBRES, said: *"We are shocked that the whole round was not finalised due to a lack of agreement on one clause, the Special Safeguard Mechanism*. We had never been so close to an agreement in these seven years of negotiations, as countries were willing to move forward with compromises on even more difficult issues such as the reduction of subsidies and internal aids, tariff cuts on sensitive goods or even tariff erosion, and yet everything is ruined because of one topic."*

Mr Vantighem continued: *"We are now deeply worried about the future not only of the multilateral trade talks, but of the whole globalisation process. This failure will send a negative message to governments, and lead to a global increase of protectionist measures and a proliferation of Free Trade Agreements (FTAs), which can only be considered second best. We, as business organisations, are strongly against such policy. Small and Medium Enterprises, that need open markets to export and grow, do not want that."*

EUROCHAMBRES urges all members of WTO to accept they have a shared responsibility to safeguard the multilateral trading system. In any case, efforts should be made to save the many positive aspects of the Doha Round, on which agreement had been reached.

* The *Special Safeguard Mechanism (SSM)* would allow countries to temporarily raise tariffs to protect their farmers in the event of a sudden increase of imports coming to their markets.

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