



## Welcome to the European Commission's Hall of Shame

In the following ten case studies, Corporate Europe Observatory (CEO) highlights the alarmingly regressive manner in which the European Commission—in particular EU Trade Commissioner Pascal Lamy and his legion of trade bureaucrats in the EU's DG Trade—has conducted its affairs on the world stage in the last few years. The case studies show how, in stark contrast to its self-proclaimed goals of “harnessed, equitable globalisation”, the powerful Commission consistently promotes the interests of EU multinational corporations. Behind a veil of sustainable development rhetoric, the Commission pursues a corporate-driven, market-access agenda inimical to the interests of the world's poor and environmental sustainability.

Soon the world's trade ministers will gather at one of the most important and decisive trade policy meetings in recent history: the Fifth World Trade Organisation (WTO) Ministerial Conference to be held in Cancún, Mexico, September 10-14, 2003. Trade ministers from the WTO's 146 member governments will continue the 'Doha Round' of trade negotiations begun in 2001 in Doha, Qatar. The goal at Cancún is to set the stage for a final global agreement—provisionally to be completed by the end of 2004—that WTO member governments will then have to implement.

And who will be sharing center stage at this meeting? Europe's own Pascal Lamy: presenting himself as a defender of the poor and environment but in reality promoting a corporate agenda. In WTO negotiations, the European Union is represented by the European Commission, and in particular DG Trade. Lamy, trade commissioner since 1999, will lead the European Commission's negotiating team in Cancun.

The case studies cover a range of topics: the Commission's power abuse inside the WTO, its push for policies which (in effect) kick the development ladder out from under the world's poorest countries, its determination to sacrifice international environmental agreements to further its trade agenda (while simultaneously painting itself a champion of sustainability), its addiction to undemocratic alliances with big business, and its subordination of civil society opinion to a corporate agenda.

We can expect more of the same from Lamy and his team at Cancún. Given that the European Commission hopes to expand and entrench its neoliberal agenda by forcing an expansion of

the WTO's powers, it is absolutely crucial that Lamy is reigned in at the upcoming Ministerial Conference. EU trade ministers have the power to revise Lamy's mandate at any moment, including in the run-up to the meeting. A prime opportunity is the EU's foreign affairs summit in Riva del Garda, Italy, to be held September 5 and 6.<sup>1</sup>

Now more than ever, the European Commission's role in WTO negotiations must be put in the full spotlight. Global justice demonstrations in Cancun, all around Europe and the rest of the world will make it known that the EU is being watched and held accountable for its actions.

That the European Commission gets away with promoting its irresponsible policies on the world stage has everything to do with the democratic vacuum in which the EU makes its trade policy decisions. With European unification, significant power over trade issues has been concentrated in hands of the European Commission, while neither the European Parliament nor national parliaments exercise effective control. National trade officials feign innocence by pointing to the political complexity of changing the European Commission's negotiating mandate, whilst the Commission argues that is simply carrying out the delegated will of the EU member states. This 'hiding behind each other's back' phenomenon makes EU trade policies de facto unaccountable.

### **Who controls the EU at Cancun?**

In WTO negotiations, the European Commission represents the 15 European Union governments. At ministerial conferences, where the WTO makes its most important decisions, negotiations are largely handled by the Trade Commissioner. The EU Treaty, however, stipulates that during WTO negotiations, including WTO ministerial conferences, the Commission must act in close consultation with the EU member states and "within the framework of such directives as the Council may issue to it".<sup>2</sup>

At the upcoming Cancun WTO Ministerial, the current EU Trade Commissioner Pascal Lamy will sit at the negotiating table as the sole EU representative. He must operate, however, within the general mandate formally issued by an EU Council just a few weeks before the 1999 Seattle Ministerial and abide by the instructions in the Conclusions of the EU General Council meeting of July 25, 2003.<sup>3</sup> During the Cancun talks, Lamy must keep member state ministers well informed and get approval for any significant step in the negotiations. In fact, if they wished, EU national ministers gathered in Cancun could at any time change Lamy's mandate or issue precise directions.

The veto power held by the EU member states is quite promising in light of the European Commission's controversial push for launching WTO investment negotiations at Cancun. On investment issues, if just one EU member state balks at Lamy's push for investment talks, it could block EU approval and derail the negotiations.

### **Notes:**

- 1 A coalition of civil society groups from around Europe will gather in Riva del Garda on September 3-6, 2003 for the alternative forum titled *The Europe we want*. On Saturday September 6<sup>th</sup>, thousands will demonstrate in Riva del Garda against neoliberal trade policies.
- 2 *Treaty of Nice Amending the Treaty on European Union, the Treaties Establishing the European Communities and Certain Related Acts (2001/C 80/01)*, Consolidated Version, page 16.
- 3 The pre-Seattle mandate was finalised at the EU Fisheries Council in Luxembourg on 26 October 1999 as an "item approved without debate". *Council Conclusions on the Preparation of the WTO 5th Ministerial Conference, Cancun 10-14 September 2003*, Brussels, 21 July 2003

For links to the referred documents, see: <<http://www.wtocancun.com/cancun.html>>

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