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EU and Cambodia conclude bilateral package for Cambodia's accession to the WTO

Today in Geneva, the EU and Cambodia have concluded the bilateral market access negotiations for Cambodia's accession to the World Trade Organisation. This is a first but decisive step towards the conclusion of the negotiations for the accession of Cambodia to the WTO. EU Trade Commissioner Pascal Lamy said during the signing ceremony: "We are glad to be among the first WTO Members to sign the bilateral agreement with Cambodia. This is a clear demonstration of Europe's commitment to facilitate the accession of least developed countries to the WTO. We are confident now that the accession of Cambodia can be rapidly concluded making it the first least developed country to join the WTO since its creation in 1995. I'd like to pay tribute here to my colleague, Trade Minister Cham Prasidh, whose personal commitment was crucial in moving negotiations forward. I also trust that others will shortly follow, including before Cancun. The least developed countries have asked for this, it is reasonable, and we, the richer members of the WTO, have to deliver."

A step closer to Cambodia's accession to the WTO

Cambodia applied to join the WTO in December 1994 but negotiations effectively started only in May 2001 with the first meeting of the Working Party. In slightly more than two years Cambodia has been able to progress steadily towards the conclusion of the accession negotiations, showing that it made the most out of the technical assistance provided by numerous donors, directly or via the Integrated Framework.

The market access commitments undertaken vis-à-vis the EU foresee the binding of all tariff lines at an average level, for agricultural products, close to 40% and close to 21% for non-agricultural products. For services, Cambodia undertook specific commitments for almost all sectors including in particular, telecommunication services, distribution, financial and transport services. Overall Cambodia made an ambitious but balanced offer, which sets Cambodia on a clear path of trade opening, which will be beneficial to its economic development.

It is hoped that all formalities for Cambodia's accession to the WTO can be completed by the 5th WTO Ministerial Conference, which will take place in Cancun in September 2003. This would be the first accession by an LDC since the creation of the WTO in 1995.

Accession of Least Developed Countries to the WTO

The WTO agreed in December last year a simplified and accelerated procedure for the accession of Least Developed Countries to the WTO, as part of the work programme adopted at Doha.

The main features of this procedure are:

- WTO Members will refrain from asking acceding LDCs to make excessive concessions or commitments, notably those incompatible with their individual development, financial and trade needs ;
- Granting of transitional periods to enable acceding LDCs to effectively implement commitments and obligations ;
- Good offices of the Director-General available throughout the process to assist LDCs and the chairpersons of the LDCs' Accession working parties ;
- WTO Secretariat support in information exchange and accession procedures ;
- Technical assistance provided by Members on a priority basis to cover all stages of the accession process, from the preparation of documentation to the enforcement of WTO rules.

This procedure builds on the initiative launched by the EU in 1999 aimed at facilitating accession of poorest countries to the WTO, taken up in turn by the Third UN Conference on LDCs in Brussels in May 2001.

Over the past five years, the EU has provided a total amount of €640 million of trade-related technical assistance to developing countries. A special priority is given to LDCs, notably through the Integrated Framework (IF) for Least Developed Countries that was established by IMF, World Bank, UNCTAD, UNDP, WTO and ITC (50% of the IF Trust Fund is pledged by the EU).

There are currently ten LDCs in the process of acceding to the WTO: Buthan; Cambodia, Cape Verde, Ethiopia, Laos, Nepal, Samoa, Sudan, Vanuatu and Yemen. Thirty LDCs are already members of the WTO.

For more information:

http://europa.eu.int/comm/trade/bilateral/asean/index_en.htm

<http://www.wto.org/index.htm>

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