

**14 December 2005 –  
TRADE UNION PROPOSALS FOR DISCUSSION WITH TRADE NEGOTIATORS  
(6th WTO Ministerial Conference, Hong Kong, 13-18 December 2005)**

**“AID-FOR-TRADE”**

- The aid for trade initiative must not be part of a “development package” that obscures the need for a genuine development focus in the negotiations, nor used as a trade-off for requesting concessions by developing countries in any of the areas of negotiations. It should be adopted and initiated rapidly, provided that it represents genuinely additional development assistance and is not merely transferred from elsewhere in countries’ aid budgets.

**EMPLOYMENT IMPACT ASSESSMENTS**

- Countries should conduct an ex ante impact assessment of the effects of liberalisation on development, decent work and standards of living (with special attention to employment intensive sectors like agriculture, services and light industry), including an analysis of the gender impact. The WTO, the ILO, UNCTAD and other relevant international institutions should provide the necessary assistance.
- The WTO should set up a formal mechanism to develop specific guidelines for comprehensive examination of the impact on employment and development which may result from the progressive implementation of trade liberalisation measures.

**COHERENCE AND ADJUSTMENT**

- In paragraph 50, specific reference is needed to the ILO so that the paragraph reads “... expand the debate on international trade and development policymaking and interagency cooperation with the participation of relevant UN agencies **including the ILO.**”
- In Annex B of NAMA, paragraph 10, a sentence is needed stating that “Flexibilities should include the possibility to exempt tariff lines from application of the tariff formula where necessary to prevent the social disruption caused by job losses and closure of enterprises that would result from further liberalisation.”

**NAMA**

- Current efforts to undermine the principle of less than full reciprocity for developing countries (e.g. through a “Swiss formula” for tariff reduction) must not be adopted.
- Developing countries should not be subject to a requirement to bind all tariffs.
- In any “sectoral approach”, developing countries should not be put under pressure to take part.
- Developing countries should be enabled to exempt certain tariff lines from the negotiations (using “paragraph 8 flexibilities”).
- Since the countries still receiving preferences in the textiles and clothing sector include many of the poorest in the world and are currently suffering massive employment losses, that sector should be excluded from NAMA negotiations at the present time, with an end to efforts to bring about early full elimination of tariffs through sectoral negotiations.

**SERVICES**

- The “positive list” approach to GATS commitments must be maintained to enable WTO members to choose to preserve their policy space, in view of the quasi-irreversible nature of commitments. Current proposals for quantitative targets, benchmarks or compulsory plurilateral approaches stipulating minimum levels of GATS liberalisation should be discarded, therefore.

**AGRICULTURE**

- An “early harvest” to benefit developing countries is needed through the setting of an early end-date to the dumping of agricultural products through export subsidies and other export support.
- An earlier end-date should be set for cotton (due to its importance to some of the world’s poorest countries in sub-Saharan Africa).
- Developing countries demands regarding special products and a specific safeguard mechanism should be adopted in order to provide them with the necessary degree of flexibility.

**PROCEDURAL ISSUES**

- The 6<sup>th</sup> WTO Ministerial Conference must take place in conditions of transparency of working methods and procedures to enable all WTO members, including countries with small delegations, to participate effectively in WTO decision-making.

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