



## DOHA ROUND

### THE PROMISE OF THE DOHA ROUND SHOULD NOT BE COMPROMISED

#### **A Watered Down Doha Round is Not Acceptable. Negotiators From All Member Countries Must Redouble Their Efforts to Produce a Comprehensive Final Agreement.**

- The success of the Doha Round rests equally on completion of agreements that liberalize trade in services, manufactured goods and agricultural products, and improve trade facilitation. If even one of these critical elements falls short the Round will be incomplete, and will not serve its intended purpose of providing the full potential for world-wide economic growth.
- Improvements in all four negotiating areas are critical for worldwide economic growth.
  - **Agriculture.** Agricultural trade is incredibly distorted by subsidies and high market access barriers. These barriers prevent America's highly efficient and productive farmers from competing abroad. These barriers also increase poverty in developing countries by stifling their exports and raising food prices for their consumers. *A comprehensive Doha agreement must address high tariff barriers, export subsidies and distorting domestic subsidies.*
  - **Industrial Goods.** Substantial reduction in the remaining barriers on all industrial goods is also critical to the success of the Doha Round. Despite significant reductions in previous rounds, tariffs on industrial goods continue to disrupt and distort trade. Average U.S. tariffs on industrial goods are below 4 percent, but important developing country markets for our exports maintain average tariffs of more than 39 percent. Reducing these tariff and non-tariff barriers helps American exporters and the workers who depend on exports for their jobs. *A comprehensive Doha Round must include deep tariff reductions and the elimination of non-tariff barriers across-the-board, and agreements to eliminate tariffs entirely in key sectors.*
  - **Services.** Meaningful liberalization in the services sector is essential for a successful round. Services now account for more the 65 percent of U.S. GDP and 50 percent of world GDP. Services are central to global economic growth. *A comprehensive Doha Round must include across-the-board services liberalization.*
  - **Trade Facilitation.** A successful Doha Round requires an ambitious multilateral agreement on the trade facilitation issues. Expediting the movement, release and clearance of goods is critical to keep trade flowing. *By directly bringing down transaction costs, commitments in this area would lead to significant and immediate gains for both exporters and domestic producers, as well as consumers around the world.*