



INTER-PARLIAMENTARY UNION

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Statement presented by Mr. Alessandro Motter
Liaison Officer

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Madam Chairperson,

With the Doha trade negotiations at an impasse, it is essential that we take a hard look at the past five years of trade talks and learn the necessary lessons to enable us to move forward. Five years is a long time in this fast moving era of globalisation.

The IPU, which comprises some 150 national parliaments, recognizes the importance of trade as an engine of economic growth for all countries. For developing countries in particular trade is essential to achieve the MDGs and other developmental objectives. Trade is better than aid in that it promotes self-reliance and greater prosperity. And we know that, at least in principle, trade liberalization induces an optimisation of the factors of production (i.e., labour, natural resources and capital) that may help generate employment while lowering prices for goods and services. The trouble of course is how to translate principles and economic theories into workable day-to-day realities.

The meeting in Doha in 2001 brought with it a realization in parliaments that it was essential for them to get closer to the trade negotiating process. The IPU therefore created, in partnership with the European Parliament, a process called the Parliamentary Conference on the WTO. Consisting of annual meetings as well as special events at the WTO ministerial meetings, the conference brought together hundreds of parliamentarians from the specialized trade committees of their respective national parliaments, including MPs from the majority and opposition parties. Their objective is “to oversee and promote the effectiveness of WTO activities, maintain dialogue with governmental negotiations and civil society, facilitate information exchange sharing of experiences and capacity-building for national parliaments in matters of international trade, and exert influence on the direction of discussions within the WTO.”

The debates and conclusions of the parliamentary trade conferences clearly demonstrate that the reasons why we are now at an impasse in the trade negotiations aren't simply technical but deeply political. Generally speaking, parliamentarians participating in these events support the Doha Round provided that it reconciles the many concerns of their constituents.

On the critical issue of agriculture, for example, the Parliamentary Conference on the WTO has called for the abolition of export subsidies as well as the reduction of trade-distorting domestic support in the developed countries. At the same time, however, it has called for special treatment for “sensitive” and “special products” and for any new agreement to address “the non-trade concerns of agriculture, including food security, land conservation, revitalization of rural society and rural employment, as well as the issue of sustainable forestry, illegal logging and fisheries.”

With respect to services, here too our members are generally supportive of further liberalization but with the big proviso that it “proceeds with caution, specifically in such areas as those services relating to health, education and the basic needs of the population.” They also believe that “every country has the right to protect its cultural diversity and to conserve and develop public services.”

Even stronger language can be found in the various declarations of the Parliamentary Conference with respect to the environment. These declarations call for “WTO rule-making and goals to be coherent with the obligations undertaken under multilateral environmental agreements (MEAs)”, and state that “the environmental legislation of WTO members should not be seen as a non-tariff barrier to trade.”

Madam Chairperson,

From the experience of the Parliamentary Conference on the WTO it is safe to conclude that further liberalization will not be possible without more in depth political debates within countries involving all sectors of the society and the economy. People need to be reassured that a freer and more competitive global economy will help bridge inequalities instead of creating them and that they can be assisted in the transition and adjustment to other economic sectors and other opportunities. Members of parliament from many developed countries feel that their countries are still ill equipped to deal with the inevitable changes and sacrifices that trade liberalization will impose on large parts of their economies and many of their citizens. MPs from many developing countries, for their part, state that their countries need a lot more support than is currently available to participate in the global economy without undercutting their fledgling industries, without sacrificing indigenous knowledge, and without overexploiting their natural resources – to mention just some of the underlying fears.

At the end of the day, a successful conclusion to the trade negotiations will require an act of faith; a conviction that there is broad and sufficient political will in each country to implement the end result. This will invariably require support from the political parties and factions represented in each parliament. It therefore makes eminent common sense to ensure a closer involvement of parliaments in the area of trade and trade negotiations so that they can play their part in building political support and eventually assist in turning the outcome of the Doha round into reality for the benefit of all citizens.