
BALI SESSION OF THE PARLIAMENTARY CONFERENCE ON THE WTO

Bali (Indonesia), 2 and 5 December 2013

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OPENING SPEECH OF MR. PHAIROJ TANBANJONG, MEMBER OF THE IPU EXECUTIVE COMMITTEE

Bali, 2 December 2013

His Excellency, the WTO Director-General,
Distinguished Speaker of the Indonesian House of Representatives,
Fellow parliamentarians,
Ladies and gentlemen,

We are very pleased to see that so many parliamentary colleagues have accepted our invitation to meet in Indonesia in conjunction with the Ninth WTO Ministerial Conference.

Our session is part of a long-term process known as the Parliamentary Conference on the WTO. It was launched jointly by the IPU and the European Parliament to provide effective parliamentary scrutiny of international trade policies.

We initiated this process in the wake of the Third WTO Ministerial Conference held in Seattle, back in 1999. As some of you may remember, it was marred by massive anti-globalization protests and unprecedented street violence. Surprised by the sheer scope of these protests, legislators decided to take a closer look at the WTO as an organization.

They discovered that the WTO possessed a unique combination of powers and functions. Unlike most other international structures, it was vested with binding rule-making and adjudication powers and was equipped with an effective dispute-settlement mechanism. Its rulings extended beyond the traditional domain of tariffs and trade in goods and reached deep into domestic affairs. They affected areas as diverse as intellectual property rights, services, banking, telecommunications and government procurement.

In other words, by the turn of the century parliamentarians realized that questions of international trade had become so important that they could no longer be left to governments and international bureaucracies alone. The multilateral trading system, as embodied by the WTO, had to be subjected to rigorous democratic oversight. Obviously, parliaments had to play a role in that.

This is why we are here, in Bali - as we were earlier in Cancún, Hong Kong and Geneva, at previous WTO Ministerial Conferences.

Most people would travel to Bali for leisure. We came here for work. The rules of the Parliamentary Conference on the WTO stipulate that its sessions are held annually, but also in connection with WTO Ministerial Conferences. When the Republic of Indonesia offered to host the Ninth Ministerial Conference, we rolled up our sleeves and started to prepare a parallel parliamentary session.

The IPU President, Mr. Abdelwahad Radi, has asked me to convey to you his warm greetings and best wishes for a successful meeting. Important political engagements in his country, Morocco, have prevented him from travelling to Indonesia in person. He has asked me to co-chair the session on his behalf. I am honoured to do it together with our good friend, Mr. Vital Moreira, Chairman of the Committee on International Trade of the European Parliament.

Government delegates gathered in Bali are enjoying the hospitality of the Indonesian Government. As parliamentarians, we have our own generous host – the Parliament of Indonesia. I take this opportunity to express our warm thanks to the Speaker of the House of Representatives, Mr. Marzuki Alie, and to all of his parliamentary colleagues who have spared no effort in preparing for our event in the best possible fashion.

As of tomorrow, the attention of the entire international community will be focused on the Conference Centre in Nusa Dua. Indeed, the WTO Ministerial Conference is an event of global significance. The stakes are high and so are the expectations. If there is one person who best symbolizes these expectations, it is the newly-elected Director-General of the WTO, Mr. Roberto Azevêdo. We are greatly honoured to have him with us today.

In one of his recent speeches, the Director-General stated that the success of the Bali Conference would be an opportunity to put the global trading system back on a secure footing for the world as a whole, but above all for the least developed countries. We can only agree with him. Trade can be an effective tool for development if all countries get an equitable share of the opportunities and benefits of trade liberalization.

The WTO as such is not a development institution, but it can help remove impediments faced by developing countries in accessing industrialized countries' markets. It can also provide developing countries with the necessary boost through special and differential treatment, trade facilitation and aid for trade. We are convinced that a more affluent developing world is to the benefit of the rich nations too, because this is where the future markets and opportunities lie.

We cannot hide from the Director-General that we are gravely concerned over the fate of the Doha Round and are alarmed by periodic waves of protectionism. Convinced of the enduring value of multilateralism, we reaffirm our commitment to a universal, rules-based, open, non-discriminatory and fair multilateral trading system.

To achieve the noble objectives set out in your inaugural speech, Mr. Director-General, you will need our political support. We are eager to provide it, but would like to see due recognition being given by the WTO to parliamentarians as legitimate representatives of the people. Our duty is to oversee government action in multilateral trade negotiations, and we want to be able to exercise it in every appropriate way, including the framework of WTO Ministerial Conferences.

Colleagues,

We shall start our session with a discussion about the post-Bali agenda of multilateral trade negotiations. The Doha Round has accumulated a multiyear delay and some WTO Members have suggested using alternative negotiating paths. We shall look at the problem from a parliamentary perspective. What kind of multilateral trade policy agenda is required in the current circumstances? How can it be better adapted to the realities of the 21st century? What could the parliamentary contribution to the advancement of that agenda be? These are not abstract questions. They touch upon the economic prospects of our countries and regions and are of direct concern to legislators.

The second substantive debate theme deals with the proliferation of bilateral and plurilateral trade agreements. A few years ago, we already held this discussion, but the subject has become even more topical and politically sensitive since. The Steering Committee has therefore decided to revert to it. Is regulatory fragmentation detrimental to the multilateral regime? Can bilateral and plurilateral trade agreements bring faster results than the multilateral process? Can they complement the WTO system and serve as building blocks for future multilateral trade liberalization? Let's revisit these questions in the light of recent developments.

As a precursor to the debate that will no doubt occupy a central place at the Ministerial Conference, we shall take a closer look at the issue of trade facilitation. Streamlining customs and other procedures for handling goods at borders can help reduce administrative red tape. Parliaments bear their own share of responsibility in this regard. Our task is to identify priority tasks for legislators in creating a more transparent, predictable and efficient environment for cross-border trade. This will be the focus of our panel discussion.

The theme of another panel is purposefully political. On a number of previous occasions, we recognized that the benefits of trade were not automatic and that making the advantages of trade work for sustainable development, job creation and poverty alleviation was a political challenge. The question now is about measures that parliaments themselves can initiate to address the trade-employment nexus. We all agree that it is necessary to stimulate domestic demand and make the trading system work for the poor. So, how can we do it in practical terms?

It has become traditional for our sessions to invite WTO negotiators and officials to take part in our discussion. The Chairperson of the Ministerial Conference and the Indonesian Minister of Trade, Mr. Gita Wirjawan, and the Chair of the WTO General Council, Ambassador Shahid Bashir, will be among those who will honour us with their presence.

Let's make good use of this opportunity. After all, what can be more useful for us, legislators dealing with trade matters in our respective parliaments, than to engage with top-level WTO negotiators? I am sure that you have many questions to ask our distinguished guests - just as you do in parliament during question time with ministers and other government officials.

It is my hope that our debate will be rich and constructive, in the true parliamentary tradition. Our political heritage dictates that we focus, first and foremost, on our fellow human beings. We must therefore strive to ensure that multilateral trade relations are governed by ethical criteria and regulated in a framework of equity, sustainability and transparency.

With these words, I officially declare open the Bali session of the Parliamentary Conference on the WTO.

It is my pleasure to give the floor to the session's co-chair from the European Parliament, Mr. Vital Moreira.