
ANNUAL 2015 SESSION OF THE PARLIAMENTARY CONFERENCE ON THE WTO

WTO at the age of 20

Geneva, 16-17 February 2015

Organized jointly by the Inter-Parliamentary Union and the European Parliament

ADDRESS BY MR. OLLI REHN VICE PRESIDENT OF THE EUROPEAN PARLIAMENT

Geneva, 16 February 2015

Members of Parliament,
Ambassadors,
Delegates,
Distinguished guests,
Ladies and gentlemen,

It is an honour and a great pleasure for me to welcome you to the Tenth Parliamentary Conference on the WTO on behalf of the President of the European Parliament, Martin Schulz, on the occasion of the 20th anniversary of creation of the WTO.

As this conference is a joint effort by the European Parliament and the Inter-Parliamentary Union, allow me to express a special word of gratitude to our partner, the IPU, as well as to the World Trade Organization for allowing this event to take place for the third time on its premises.

It is heartening to see so many parliamentarians from all corners of the globe here today, which serves as a timely reminder of the importance of the parliamentary dimension in WTO affairs. As elected representatives, parliamentarians' role is not simply limited to ratifying trade agreements once they are concluded, but is much more far reaching. We act as a vital link between citizens and decision makers on the one hand, conveying the views of our electorates to those charged with negotiating deals and on the other hand by holding our governments to account and ensuring our concerns are heard and taken into account.

Perhaps one could say that I am preaching to the converted in relaying such a message to you here today, but it is my firm conviction that the democratic legitimacy of trade agreements can only be enhanced by greater parliamentary scrutiny.

Public opinion is increasingly focusing on trade agreements, given how they have evolved in recent years and how issues such as regulatory standards, food safety and sustainable development concerns are now part and parcel of them. The public, with good reason, wants to know more about what is being decided and by whom and that extends to decisions taken in the WTO.

The session tomorrow on conveying the benefits of the WTO to young people and consumers is therefore particularly relevant and timely.

When we last met in December 2013 at the ninth Ministerial conference in Bali, there was much expectation that a successful outcome could be reached and that the WTO was well on its way to concluding the Doha Development Agenda, which is now entering its 14th year!

In our outcome document, we hailed the results of the ninth ministerial as being of "great importance". We hailed the deal on trade facilitation which would enable goods to move around the world with greater speed and at less cost. We hailed decisions to take account of the needs of developing and least developed countries and a decision on public stockholding for food security.

It is worth pausing for a moment to reflect on the centrepiece of that deal, the trade facilitation agreement, which according to estimates would reduce total trade costs by 10 per cent and increase global trade by one trillion dollars. Both developing and developed countries would benefit and the measures could reduce total trade costs by 10% in advanced economies and by 13-15.5% in developing countries and create approximately 21 million jobs.

Whilst the Ministerial itself was a success and a deal was reached, as you know things did not go as smoothly as expected afterwards, and things started to unravel last summer.

Finding consensus amongst more than 160 members is no easy matter. Nonetheless we must constantly strive to promote multilateralism as the first best option for guaranteeing an open, fair and rules-based system which takes account of and balances the many varying interests of its members. The European Parliament is and always has been a strong advocate of the multilateral agenda, believing it to be the best way of ensuring that global trade can be advanced for the benefit of all.

I can say to you - in all transparency, and based on my ten-years as a member and Vice-President of the European Commission - that the European Union opted for regional and bilateral free trade agreements only once we were forced to conclude, that for the time being and in the near future the multilateral route of the DDA and WTO would remain blocked. But once we have a new opportunity to return to and seriously boost the multilateral trade agenda, you can count on the European Parliament to support it.

2015, as well as being the WTO's 20th birthday, is likely to be a busy year for the organisation and for those like us who are closely involved in its workings. The work programme for concluding the remainder of the Doha Development Agenda is due to be presented this summer.

I think we can all agree that our electorates want us to deliver concrete results that can improve their lives. Trade and the WTO have a role to play in this regard and have the capacity to bring about positive change. The WTO has an impressive record in a number of areas which don't always get the credit they deserve - promoting transparency and peer reviews through its monitoring and surveillance work, arbitrating and preventing trade wars through the dispute settlement mechanism and acting as a forum where members can come together and exchange information. Nonetheless, the credibility of the organisation hinges on its ability to conclude and implement multilateral agreements and I am hopeful that that is exactly what the membership will do to celebrate its 20th birthday.

I believe therefore that there is room for cautious optimism this year as we head towards the 10th Ministerial Conference in Kenya in December. We must not squander the positive momentum that has been built in the last few months, but rather channel it in to wrapping up this round once and for all. The WTO Director-General, Mr. Roberto Azevêdo called on all members in January to "maintain a sense of urgency; identify and prioritise the issues that are of the most substantive importance; target outcomes that are doable for all parties; maintain a high level of engagement; and tackle all issues at the same time rather than try to sequence them." I welcome this wise and realistic approach to the negotiations. After all, we do share many common interests. In fact, in some cases the whole globe can have a common interest, namely sustainable economic development.

This represents both an opportunity but also a responsibility for us as parliamentarians - if it succeeds, we can share in its successes but if not, we need to deal with the consequences. Being able to conclude the round also goes to the heart of the WTO as an organisation and its ability to update the rulebook. This will require an effort from all the members, and a recognition that the global landscape has changed dramatically since the DDA was launched in 2001. This is particularly striking as regards the emerging economies which must be prepared to contribute and play their part that is commensurate with their rising economic weight and influence.

As for the EU, where I come from, trade is not an end in itself but rather a means to an end. Trade has the ability to create growth and employment, a topic we will focus on this afternoon. But in order to ensure that the benefits of trade are shared within and amongst nations, accompanying measures are necessary. This is also vital in order to ensure that there is public trust in trade opening, something we as democratically elected politicians are very sensitive to. Trade operates within a wider institutional setting and is linked to many other policy areas. The WTO's efforts to reach out and work with other international bodies are to be welcomed in that respect.

One of the key areas that trade impacts upon and vice versa is that of development. The EU designated 2015 as the European Year for Development, which links to the Millennium Development Goals (that were launched at around the same time as the DDA) the issue of poverty eradication and ongoing talks on climate change, an issue which disproportionately affects developing countries. I welcome the increasing focus on sustainable development and the current negotiations on an environmental goods agreement - the latter has the potential to bring huge gains to developing countries which according to a UN report are well placed to benefit from increased trade in environmental goods. I would however like to see more developing countries join the negotiations so that their interests are also reflected in the negotiations. We must not forget that the DDA is intended to be a development round. Whilst the decisions taken in Bali and the aid for trade programme are to be welcomed, there is more to be done, if we want to ensure that development does not disappear from this round.

Ladies and Gentlemen,

Over the next two days we will hear from key negotiators and we will deliberate on a range of issues and how they relate to trade - such as peace, consumers and better working conditions.

This is testimony to how the international trading system has grown ever more complex given the changing face of globalisation and trade. We must however cut through the complexity and ensure that we come up with achievable goals and outcomes. I am looking forward to hearing the parliamentary contribution in that respect which I am sure will be stimulating and diverse.

I thank you for your attention and wish you all a very successful conference.