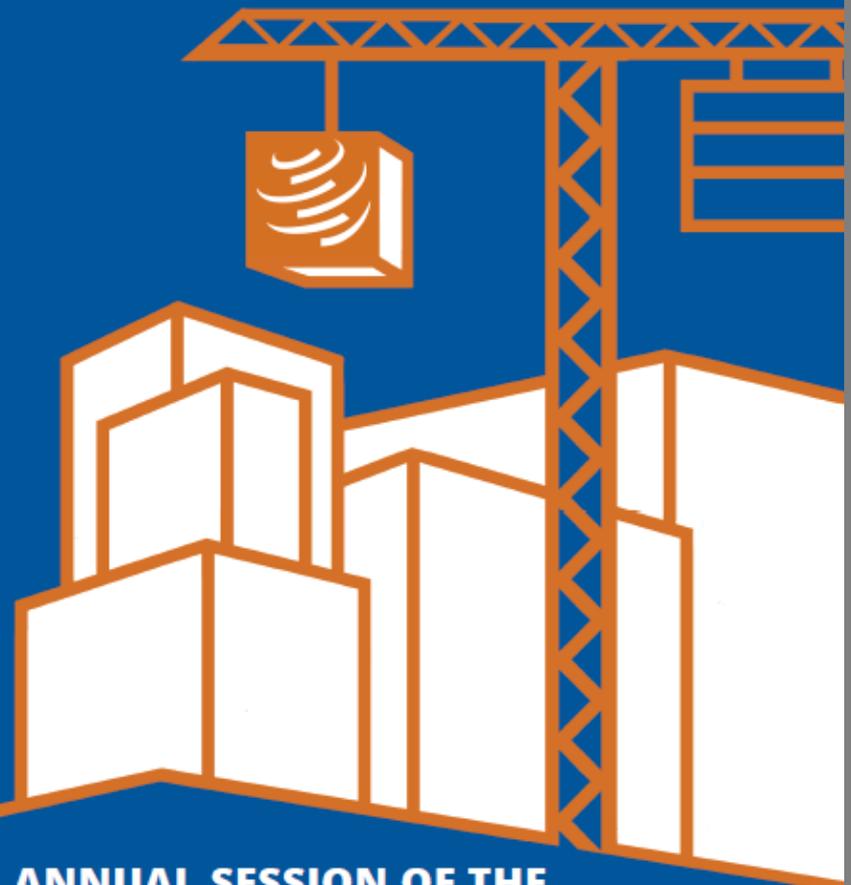


2016

## HIGHLIGHTS OF THE SESSION

*What future for the WTO?*



**ANNUAL SESSION OF THE  
PARLIAMENTARY CONFERENCE  
ON THE WTO  
GENEVA  
13-14 JUNE 2016**



Inter-Parliamentary Union  
For Democracy. For Equality.



European Parliament

ORGANIZED JOINTLY BY  
THE INTER-PARLIAMENTARY UNION AND  
THE EUROPEAN PARLIAMENT





# CONTENTS

<b>PROGRAMME OF THE SESSION</b>	3
<b>OUTCOME DOCUMENT</b>	5
<b>INAUGURAL CEREMONY</b>	
• Mr. Krister Örnfjäder, MP (Sweden), Co-Chairman of the Parliamentary Conference on the WTO	7
• Mr. Bernd Lange, Chairman of the Committee on International Trade of the European Parliament, Co-Chairman of the Parliamentary Conference on the WTO	10
• Ambassador Harald Neple, Permanent Representative of Norway to the WTO, Chairperson of the WTO General Council	12
<b>HEARING WITH THE WTO DEPUTY DIRECTOR-GENERAL, MR. KARL BRAUNER</b>	
<b>Post-Nairobi work: reflections on the future of the WTO</b>	
• Introductory remarks	14
• Question-and-answer exchange	15
<b>PRESENTATION OF REPORTS AND INTERACTIVE DEBATE ON THE SUBSTANTIVE THEME</b>	
<b>Making trade work for development after Nairobi</b>	
• Discussion paper presented by Mr. Paul Rübig, Member of the European Parliament	20
• Discussion paper presented by Mr. Anurag Singh Thakur, MP (India)	21
• Discussion paper presented by Mr. Helmut Scholz, Member of the European Parliament	24
• Discussion paper presented by Mr. Dennis Dumisani Gamede, MP (South Africa)	28
• Introductory remarks by Mr. P. Rübig	29
• Introductory remarks by Mr. A. Singh Thakur	30
• Introductory remarks by Mr. H. Scholz	31
• Introductory remarks by Mr. D. Dumisani Gamede	31
• Excerpts from the debate	32
<b>DIALOGUE WITH SENIOR WTO NEGOTIATORS AND OFFICIALS</b>	
<b>WTO in the era of mega-regional trade agreements</b>	
• Ambassador Daniel Blockert, Permanent Representative of Sweden to the WTO, Chairman of the WTO Committee on Regional Trade Agreements	39
• Ambassador Marc Vanheukelen, Permanent Representative of the European Union to the WTO	39
• Ambassador Amr Ramadan, Permanent Representative of Egypt to the WTO	40
• Ambassador Junichi Ihara, Permanent Representative of Japan to the WTO	41
• Ambassador Fernando De Mateo Y Venturini, Permanent Representative of Mexico to the WTO	42
• Excerpts from the debate	43

<b>BRIEFING SESSION</b>	
<b>Enacting the Trade Facilitation Agreement</b>	
• Ms. Nora Neufeld (WTO Secretariat)	48
• Excerpts from the debate	53
<b>PANEL DISCUSSION</b>	
<b>Trade as a vehicle of social progress: The gender perspective</b>	
• Ms. Inmaculada Rodríguez-Piñero Fernández, Member of the European Parliament	50
• Ms. Nurhayati Ali Assegaf, MP (Indonesia)	50
• Senator A. Khan Swati (Pakistan)	51
• Ms. Arancha González, Executive Director, International Trade Centre	52
• Ms. Noraini Ahmad, MP (Malaysia), Commonwealth Parliamentary Association	52
• Excerpts from the debate	53
<b>BRIEFING SESSION</b>	
<b>The riddles of the WTO dispute settlement system</b>	
Ms. Valerie Hughes (WTO Secretariat)	56
<b>ADOPTION OF THE OUTCOME DOCUMENT</b>	
Introductory remarks by the Rapporteur, Mr. Bernd Lange, Member of the European Parliament	57
<b>RULES OF PROCEDURE OF THE PARLIAMENTARY CONFERENCE ON THE WTO</b>	
	58
<b>PARTICIPATION</b>	
	61
<b>COMPOSITION OF THE STEERING COMMITTEE</b>	
	62



# PROGRAMME OF THE SESSION

## MONDAY, 13 JUNE

10:00 - 12:30 Pre-Conference session of the Steering Committee (*in camera meeting, IPU Headquarters*)

10:00 - 18:00 *Registration of participants*

15:00 - 15:30 Inaugural session

- Mr. Krister Örnfjäder, MP (Sweden),  
Co-Chairman of the Parliamentary Conference on the WTO
- Mr. Bernd Lange,  
Chairman of the Committee on International Trade of the European Parliament,  
Co-Chairman of the Parliamentary Conference on the WTO
- Ambassador Harald Neple, Permanent Representative of Norway to the WTO  
Chairperson of the WTO General Council

15:30 - 16:30 Presentation of reports and interactive debate on the substantive theme  
**Making trade work for development after Nairobi**

### **Rapporteurs**

- Mr. Paul Rübig, Member of the European Parliament
- Mr. Anurag Singh Thakur, MP (India)
- Mr. Helmut Scholz, Member of the European Parliament
- Mr. Dennis Dumisani Gamede, MP (South Africa)

16:30 - 18:00 Dialogue with senior WTO negotiators and officials  
**WTO in the era of mega-regional trade agreements**

### **Guest Speakers**

- Ambassador Daniel Blockert, Permanent Representative of Sweden to the WTO,  
Chairman of the WTO Committee on Regional Trade Agreements
- Ambassador Marc Vanheukelen,  
Permanent Representative of the European Union to the WTO
- Ambassador Amr Ramadan, Permanent Representative of Egypt to the WTO
- Ambassador Junichi Ihara, Permanent Representative of Japan to the WTO
- Ambassador Fernando De Mateo Y Venturini,  
Permanent Representative of Mexico to the WTO

### **Moderator**

- Mr. Bernd Lange, Chairman of the Committee on International Trade of the European Parliament, Co-Chairman of the Parliamentary Conference on the WTO

18:00 - 19:30 *Reception at the WTO*

## TUESDAY, 14 JUNE

- 10:00 - 11:00 Hearing with the WTO Deputy Director-General, Mr. Karl Brauner  
**Post-Nairobi work: reflections on the future of the WTO**
- 11:00 - 11:20 Briefing session  
**Enacting the Trade Facilitation Agreement**
- Keynote speaker**
- Ms. Nora Neufeld (WTO Secretariat)
- 11:20 - 13:00 Continuation of interactive debate on the substantive theme  
**Making trade work for development after Nairobi**
- 13:00 - 15:00 *Lunch break*
- 15:00 - 16:30 Panel discussion  
**Trade as a vehicle of social progress: The gender perspective**
- Panellists**
- Ms. Nurhayati Ali Assegaf, MP (Indonesia)
  - Senator M.A. Khan Swati (Pakistan)
  - Ms. Arancha González, Executive Director, International Trade Centre
  - Ms. Noraini Ahmad, MP (Malaysia), Commonwealth Parliamentary Association
- Moderator**
- Ms. Inmaculada Rodríguez-Piñero Fernández, Member of the European Parliament
- 16:30 - 17:00 Briefing session  
**The riddles of the WTO dispute settlement system**
- Keynote speaker**
- Ms. Valerie Hughes (WTO Secretariat)
- 17:00 - 17:30 Closing session: adoption of the outcome document
- Rapporteur**
- Mr. Bernd Lange, Member of the European Parliament

# OUTCOME DOCUMENT

*Adopted by consensus on 14 June 2016*

1. The WTO has since its creation played a pivotal role in strengthening multilateralism, promoting an inclusive world economic order and fostering an open, rules-based and non-discriminatory multilateral trading system. We remain convinced that a fair and equitable international trading system, based on free and fair trade for the benefit of all, can play a crucial role in fomenting global economic growth and sustainable economic development, creating jobs and ensuring welfare.

2. In this regard, we recognize the importance of the outcomes achieved at the Tenth Ministerial Conference in Nairobi, in December 2015. The Ministerial Decisions related to agriculture and LDCs are crucial for the developing countries and LDCs. The decision regarding export competition on agriculture is an important agreement that will help level the playing field in a sector still marked by some protectionist trading practices and rules in certain countries, which is of importance for the developing countries.

3. We appreciate the decision on public stockholding for food security purposes and call for the conclusion of negotiations on finding a permanent solution to the issue, in keeping with the decision. We believe that the issue of food security is vital for developing countries and that WTO rules must support efforts to combat hunger. In line with the same decision, we also want to stress the importance of a speedy adoption of a proposal for a Special Safeguard Mechanism, in conformity with the Nairobi Ministerial Decision on the issue.

4. It is now of utmost importance that all Members of the WTO implement the decisions taken both in Nairobi and in Bali, including swift ratification of the Trade Facilitation Agreement, creation of new export opportunities for LDC service-providers under the LDC services waiver and simplification of regulations governing rules of origin. We call for the extension of the Information Technology Agreement for those WTO Members concerned.

5. We urge WTO Members to capitalize on the momentum created by recent progress, bearing in mind the strategic objective of strengthening the multilateral trading system and the need to consolidate the WTO as the centre of trade negotiations, while at the same time recognizing that new approaches will be necessary. Flexibility, openness, inclusiveness and political engagement will be key to advancing on all the remaining issues of the Doha Development Agenda (DDA). Since the Doha Round was launched in 2001, the world has changed dramatically in economic, political and technological terms. New challenges such as e-commerce, digital trade and international investment can also be discussed without prejudice to outstanding issues of the DDA.

6. It is widely acknowledged that trade in services, as a new frontier for enhancing the participation of developing countries and LDCs in international trade, is important not only for developed countries, but is rapidly emerging as a critical vehicle for realizing development gains for all. However, positively integrating developing countries, especially LDCs, into the global services economy and increasing their participation in services trade, particularly in modes and sectors of export interest to them, remains a major development challenge.

7. We need to intensify efforts to achieve rapid progress in services negotiations in each of the pillars of services negotiations such as market access, domestic regulations and LDC services waiver to achieve progressively higher levels of liberalization of trade in services, while ensuring that particular attention is given to sectors and modes of supply of export interest to developing countries. WTO Members also need to work on issues that can facilitate trade in services.

8. We believe that the process leading up to the Ministerial Conference has once again shown the importance of more transparent and inclusive negotiations. The Ministerial Conference should not be used to replace the negotiating bodies at the WTO. In order to achieve greater efficiency and accountability, a review of the working practices of the WTO will also contribute to better rule-making in the trade forum.

9. Recent years have witnessed a surge in plurilateral, regional and bilateral trade agreements, motivated by participants' desire to further liberalize and address trade rules and disciplines in policy areas insufficiently dealt with in the WTO and, to some extent, by the lack of progress in the Doha Round. Such agreements present a double advantage since: (a) they can stimulate trade between participants, especially by unlocking liberalization and upgrading rules and disciplines in policy areas tackled less thoroughly in the WTO; and (b) they may support the multilateral system, provided that such agreements are open, transparent and WTO-compatible, based on shared rules and create the conditions for possible future discussions in the WTO. We stress, however, that, in this sense, these agreements should not undermine the role of multilateral accords in international trade.

10. We acknowledge that trade can not only be a key factor in economic development but can also act as an important tool in the path to development. We underscore the need to link the multilateral trade agreements and the implementation of the international development agenda, including the Sustainable Development Goals (SDGs).

11. Paragraph 8 of the Doha Mandate mentions gender equality and women's empowerment among the goals which are essential for all countries to attain. We note that gender mainstreaming and women's empowerment are instrumental to development strategies for achieving gender equality and are key to the eradication of poverty. Therefore, we encourage policymakers to mainstreaming gender in macro-economic policies, especially in trade policy.

12. Despite the fact that 95 per cent of global enterprises are SMEs, which are significant as engines of growth, innovation, social integration and employment, SMEs currently only account for a small portion of trade among WTO Members. Considering the need to further strengthen the capacity and ability of SMEs to engage in international trade and enter the global market, we therefore encourage the WTO Members to reduce supply chain barriers to trade and enable SMEs to generate profits from the global value chain. This includes but is not limited to, expansion of market access, financial access and funding mechanisms, business networking, technical assistance, communication and transport infrastructure, as well as capacity building.

13. The challenges facing the WTO stress the need for the continued involvement of parliamentarians in this important world trade body. Parliamentarians not only ratify the outcomes of negotiations, they are also a crucial bridge/liaison between the WTO and the people they aim to serve. We urge the WTO to make full use of the Parliamentary Conference on the WTO, co-organized by the IPU and the European Parliament, ensuring that parliamentarians have access to all the information they need to carry out their oversight role effectively and contribute meaningfully to trade policies.



# INAUGURAL CEREMONY

ADDRESS BY **MR. KRISTER ÖRNFJÄDER, MP (SWEDEN)**

CO-CHAIRMAN OF THE PARLIAMENTARY CONFERENCE ON THE WTO

Honourable parliamentarians,  
Distinguished representatives of governments and international organizations,  
Ladies and gentlemen,

Welcome to the Annual Session of the Parliamentary Conference on the WTO.

It is my great pleasure to greet you on behalf of the world organization of parliaments, the Inter-Parliamentary Union. Bringing together legislators from 170 countries, the IPU takes pride in embracing the full spectrum of geographical, political, cultural and ethnic diversity that makes up the richness of today's global parliamentary community.

The IPU is headquartered in Geneva. We share this city with dozens of other international organizations, one of which stands out due to its unique combination of powers and functions.

Indeed, the World Trade Organization is vested with binding rule-making and adjudication powers and is equipped with an effective dispute settlement mechanism. WTO rules and agreements extend far beyond the traditional domain of tariffs and trade in goods. They also reach deep into domestic and regional affairs. It is important to remember, however, that the main purpose of the WTO is to uphold the rule of law in international trade and thus help reduce poverty and create prosperity by lowering the barriers to trade worldwide.

This is why, more than a decade ago, the IPU and the European Parliament jointly decided to establish a mechanism of parliamentary oversight of the WTO. We were convinced that trade between nations was one of the cornerstones of the edifice of international peace and cooperation. In an interconnected and interdependent world, questions of international trade are so important that they cannot be left to governments alone.

We have conceived the Parliamentary Conference on the WTO as a platform for dialogue between legislators specializing in matters of international trade and development, and government negotiators directly involved in WTO talks. Over the years, such dialogue and interaction have largely proven their worth.

For parliamentarians, it is an effective tool for scrutinizing the work of government officials involved in multilateral trade negotiations. For diplomats and trade experts, it is an opportunity to expound to legislators the challenges of the negotiating process and the technical subtleties of compromise formulas. This information will be indispensable for the subsequent ratification of agreements by parliaments, which are entitled to ratify in full knowledge of what happened during negotiations. Unless transposed into national legislation and followed by robust oversight, trade agreements will be neither credible nor effective.

We are thankful to the WTO for having opened its doors to parliamentarians once again. Already for the fourth time, our session is taking place in Centre William Rappard, the premises of the WTO. The political



importance of this fact is hard to overlook. We all share responsibility for making the multilateral trading system work in the interests of the people – those men and women whom we represent.

Alongside the annual Public Forum of the WTO, the Parliamentary Conference has become a vivid proof that external transparency of the WTO is a reality.

I would like to avail myself of this opportunity to extend our appreciation to the Chairman of the WTO General Council, Ambassador Harald Neple, who will address our Conference in a few moments. Together with the WTO Director-General, he has been very supportive of the idea of maintaining a meaningful dialogue with parliamentarians, so as to bring their unique perspective to the WTO. Our sincere thanks also go to colleagues at the WTO Secretariat for their assistance and exemplary cooperation in the preparation of this event.

The theme that we have chosen for this year's session reflects our growing preoccupation with the lack of tangible progress in WTO talks. Perturbed by reports about persistent and fundamental divisions between WTO Members, we are not the only ones to be asking that crucial question: "What future for the WTO?"

A former US Congressman and Chairman of the WTO Appellate Body, Mr. James Bacchus, recently reminded us that the multilateral trading system was established after World War II to help prevent World War III. Indeed, the rule of law is the only antidote to the rule of power. The WTO is meant to secure world peace by setting universal rules and promoting the peaceful resolution of international trade disputes.

Alas, when the WTO came into being twenty-one years ago, hardly anyone could foresee that the road ahead would be so long and winding. The WTO is often considered to be a laboratory of multilateralism. If so, it is worrying to see that countless stoppages continue to block progress in that laboratory, casting doubt on the ability of the Organization to move forward. Launched nearly 15 years ago, the Doha Round is the longest ever. This alone adds grist to the mill of those who question the enduring value of multilateralism.

The programme of our session includes an interactive panel with a number of Ambassadors who follow the work of the WTO on a daily basis. They bear the bulk of the responsibility for moving the negotiations forward or – let's be frank – for making consensus a little harder to achieve. They are also best placed to tell us the true story of ongoing negotiations.

The subject of today's interactive panel with Ambassadors could not be more topical: WTO in the era of mega-regional trade agreements. At a time when the WTO is facing existential challenges, the issue of bilateral and regional trade pacts is on everybody's lips. Needless to say, the matter is of direct concern to parliaments as well. One only needs to look at the ongoing – rather hot – debate in the parliaments of some of the countries that have signed the Trans-Pacific Partnership Agreement.

I am sure you will have many questions for the distinguished Ambassadors – both those who will be on the podium and those who will remain in the room. I am told that there are many of them with us today. I take this opportunity to thank them all for having honoured us with their presence.

Right after the opening session, we shall listen to a series of presentations on the main substantive theme, which deals with the all-important issue of the centrality of development in the WTO's work. Trade policies must reflect broader development objectives and be used as a driver of prosperity. The 10<sup>th</sup> WTO Ministerial Conference, held in Nairobi last December, achieved a number of important outcomes going in that direction, especially as regards the least developed countries. Were they sufficient? And what are the priority tasks for parliaments in their implementation?

Our debate on the main theme will continue tomorrow. We shall listen to the views of parliamentary delegates from developed and developing countries and also benefit from the expertise of internationally renowned experts.

During the afternoon session tomorrow, we shall hold a panel discussion on a subject that is particularly close to the hearts of IPU Members. For many years, the IPU has been playing a pioneering role in mainstreaming gender-related issues into all aspects of parliamentary life. It was therefore with great enthusiasm that we supported the proposal of one of the members of the European Parliament to have a special event that considered gender in relation to trade as a vehicle of social progress.

That panel is a first-ever for our Conference - and a long-overdue one, I should add. Social and economic opportunities created by trade are spread unequally and the benefits are still not sufficiently inclusive. We hope that the interactive panel will help us identify concrete ways of dealing with these challenges.

As part of the programme, we also have two important briefings by the WTO Secretariat. The first one deals with the ratification of the Trade Facilitation Agreement concluded by the WTO in 2013. The Agreement is expected to benefit the global economy by hundreds of millions of dollars per year. To become legally binding, it should be ratified by two-thirds of WTO Members. Nearly 80 countries have ratified thus far, but this is not enough. The role of parliaments in this process is simply indispensable.

The second briefing will be focused on the functioning of the WTO's dispute settlement system. This unique mechanism, often referred to as the legal guardian of the WTO, is at the heart of the entire operation. This is why it is important for legislators not only to understand how the WTO dispute settlement system works, but also to see its ramifications for our own domestic processes.

At the concluding sitting, we are expected to adopt an outcome document. The draft has been prepared by the delegation of the European Parliament. Parliaments had until 15 May to submit their amendments. Tonight, the Conference Steering Committee will conclude its consideration of the amendments received and will develop a revised draft, which will be made available to all delegates tomorrow morning. It is my hope that we shall be able to adopt it by consensus.

The IPU and the European Parliament, as the Conference co-organizers, have invested much time and energy into the preparation of this session. I wish to pay tribute to the leadership and staff of the European Parliament - our partner in this exercise - for everything they have done to facilitate the process.

We look forward to a rich and constructive debate, in the true parliamentary tradition.

With these words, let me officially declare the annual session of the Parliamentary Conference on the WTO open.



# INAUGURAL CEREMONY

ADDRESS BY **MR. BERND LANGE**,  
CHAIRMAN OF THE COMMITTEE ON INTERNATIONAL TRADE  
OF THE EUROPEAN PARLIAMENT,  
CO-CHAIRMAN OF THE PARLIAMENTARY CONFERENCE ON THE WTO

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 eleventh Parliamentary Conference on the WTO on behalf of the President of the European Parliament, Martin Schulz.

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 here today.

It is very inspiring to see so many parliamentarians from all corners of the world, which shows the importance of the parliamentary dimension in WTO affairs. It also shows the great interest Parliamentarians have in trade policy in general. As elected representatives, 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.

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.

As the Chairman of the Committee on International Trade in the European Parliament, I clearly feel this in my everyday work. It is my firm belief that trade negotiations need to be more transparent and more accessible to the citizens than has been the case in the past. Since taking up my function in 2014 I have consistently pushed for this. I am pleased to say that we see a lot of progress. As regards the bilateral negotiations the European Union is involved in, there is today a much improved access to documents and information on the ongoing negotiations, where much of this can even be found online. Members of the European Parliament are today, after hard negotiations, also able to consult confidential documents. I think this is important for the democratic process in relation to trade and I hope it can serve as a source of inspiration also for others.

Ladies and Gentlemen,

We are here to discuss the future of the WTO. A lot of our time at this conference will be dedicated to discuss the post-Nairobi agenda. I had the pleasure to lead a delegation of 10 Members to the Ministerial Conference in Nairobi. These were intense and interesting days, and we were relieved that in the end it was possible to



reach an agreement on many issues that are of great importance, not the least for developing countries. But I will not hide that our initial expectations were much higher and that it was a disappointment that we could not advance more at the Ministerial Conference. I think it is also evident that the process leading up to the final decision was far from optimal, even more so if you believe that transparency and inclusiveness should be leading words for trade negotiations. The WTO will have to revise the process and working methods to avoid this in the future.

Since Nairobi, WTO Members have been engaged in an intensive debate on what the future agenda should include. It is my hope that we Parliamentarians will contribute to this discussion in a constructive way during these days, giving further guidance to our governments on the way forward. Time has come to start taking decisions on what the priorities should be for the next steps, and even more so if we want to avoid the same situation at the next Ministerial Conference as ahead of the Nairobi conference.

As Parliamentarians, we also need to make sure that the decisions that were taken are implemented. The Trade Facilitation Agreement still needs around 20 countries to ratify it before it enters into force. WTO Members need to live up to commitments as regards the LDC services waiver or improved Rules of Origin.

Last week, the European Parliament approved the expansion of the Information Technology Agreement, one of the most significant outcomes in Nairobi. We hope therefore to be able to live up to the commitments of applying the first tariff cuts by 1 July this year. Trade in the 201 products added to the list - such as GPS systems, touch screens, medical devices- amounts to 1.3 billion euros and will certainly contribute to the development and expansion of the IT-sector, also to the benefit of consumers. When speaking with business they point to the enormous benefits of a multilateral agreement, the main advantage being that they don't need to comply with any specific rules of origin. Global trade has changed, with global value chains it is more complex to define where a product has really been produced. This is an argument in favour of a multilateral approach that can certainly be used more often!

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. For the first time, we will for example discuss a gender perspective on trade.

I wish you all a successful session and I hope that the conference will further contribute to mutual understanding, and to send a clear message to all the ambassadors and governments on the future of the WTO. Finally, I hope it will contribute to greater involvement of parliamentarians and the general public in trade policy. I thank you for your attention.



# INAUGURAL CEREMONY

## ADDRESS BY **AMBASSADOR HARALD NEPLE**, PERMANENT REPRESENTATIVE OF NORWAY TO THE WTO, CHAIRPERSON OF THE WTO GENERAL COUNCIL

Excellencies,  
Honourable Members of Parliament,  
Ladies and gentlemen,

- It is a privilege for me to have this opportunity to address the Parliamentary Conference on the WTO in my capacity as Chair of the WTO General Council. At WTO's Ministerial Conference in Nairobi in December last year, Ministers resolved to find the best way to move the negotiations and the agenda of the multilateral trading system forward. In the first half of this year, Members have embarked on a period of reflection on how to address these issues. Although we have not yet found a clear path, discussions are ongoing, and Members are actively engaging.
- As parliamentarians, you play a crucial role in connecting the WTO to your constituents, and your constituents, the citizens, are ultimately the main beneficiaries of what we do at the WTO. As you are aware, also since the agreement in several cases goes through parliament, at the Ministerial Conference in Bali in 2013, WTO Members adopted the Trade Facilitation Agreement. At the conference in Nairobi, we reached several decisions. The decision on export competition, which will lead to the elimination of export subsidies in agriculture is historic and a very important outcome in agriculture.
- You probably all know, that the process to reach agreements at the Ministerial Conference has been criticised. I believe there is a common understanding among Members that we have to take this seriously and seek to avoid repeating this by emphasizing the need for transparency and inclusiveness in our preparations for the next ministerial conference.
- As proven in Bali and Nairobi, if all Members work together and provide the requisite political will, consensus to agree on negotiating outcomes is possible at the WTO. Follow-up of these outcomes and of the Ministerial Declaration from Nairobi is now essential.
- The General Council continues to monitor the work that is taking place in the relevant WTO bodies to ensure the faithful implementation of all decisions. The entry into force of the TFA, the Trade Facilitation Agreement inches closer to the required two thirds of all 162 WTO Members as the WTO has already received more than 80 instruments of acceptance. The Preparatory Committee on Trade Facilitation continues to receive notifications of commitments and the TFA Facility stands ready to provide support for developing and least-developed country Members on TFA-related matters.
- One of the decisions in Nairobi mandated further negotiations in an accelerated timeframe, on a permanent solution on public stockholding for food security purposes. Another addressed a special



safeguard mechanism for developing members, which is also under negotiation. The Committee on Agriculture in Special Session conducts the negotiations on these two issues.

- Some decisions on preferential treatment for LDCs were also adopted at MC10. On the Services Waiver, the Services Council has already received 23 notifications of preferences for LDC services and service suppliers. On rules of origin, the Committee on Rules of Origin will discuss ways to enhance transparency and monitor steps taken by preference-granting Members to implement their commitments.
- Evidently, more needs to be done. With the sluggish growth of the global economy, trade has to step up. In Nairobi, Ministers pledged to strengthen the multilateral trading system for it to provide a strong impetus to inclusive prosperity and welfare for all Members. They vowed to ensure that developing country Members, and especially the LDCs, secure a share in the growth of world trade commensurate with the needs of their economic development.
- Directions for further work were incorporated in the Nairobi Declaration:
  - To ensure efficiency in implementing the covered agreements, the General Council was tasked to consider the need for adjustments in the structure of the WTO subsidiary bodies.
  - To ensure that regional trade agreements, or RTAs, remain complementary to, and not a substitute for, the multilateral trading system, the WTO's Committee on Regional Trade Agreements was instructed to discuss the systemic implications of RTAs for the multilateral trading system and their relationship with WTO rules.
  - The Ministerial Conference also recognized the centrality of development in the WTO's work and that members shall continue to give priority to the concerns and interest of the LDCs.
  - Important differences in positions persist when it comes to the Doha Development Agenda and how to address the negotiations. Nevertheless, there remains a strong commitment of all Members to advance negotiations on the remaining Doha issues. Let me add that some Members wish to identify and discuss other non-Doha issues for negotiations, while others at this stage do not. Finding ways to continue to deliver meaningful outcomes in the WTO is thus no easy task, but Members continue to search for convergence.
- With MC11 only one and a half years away, our work in Geneva needs to intensify. But we need your help. I urge you to engage actively in discussions on how to strengthen the WTO and its negotiating function, support the process and help us to find a common way forward for the next ministerial and beyond. I have invited all Members to consult with me on the exact date and venue of the next Ministerial Conference.
- The work we do at the WTO is at the service of the Members. For the WTO to be responsive to the needs of Members, parliamentarians' inputs to our work with respective governments is helpful to provide a better understanding. Furthermore, as parliamentarians, you are asked to approve the results of negotiations in the WTO. Together, let us continue to develop a framework for global trade that is predictable, stable and transparent. Together let us continue to improve the multilateral trading system to address effectively Members' concerns and help improve the welfare of citizens.
- Thank you very much for your attention.

# HEARING WITH THE WTO DEPUTY DIRECTOR-GENERAL, MR. KARL BRAUNER

## *Post-Nairobi work: reflections on the future of the WTO*

### INTRODUCTORY REMARKS

It is a great pleasure for me to be here this morning in place of the Director-General who has been called away unexpectedly to Brazil and sends his sincere apologies. I have great respect for your work, which gives our work its legitimacy.

Let me make a few preliminary remarks. I think the WTO is in fairly good shape; if people see this differently it is because they have the wrong expectations. Members use our dispute settlement mechanism extensively. We have now processed more than 500 claims, and, in more than 100 cases, an amicable solution was reached before litigation had to start. Our compliance rate is over 90 per cent. The panels have produced approximately 170 reports and the appellate body more than 120 reports. We are fast: for the most part, parties receive a decision from the panels within 15 months and within 90 days from the appellate body. None of the judicial systems that I know deliver their services in such a swift fashion. We are also cost-efficient: we do not charge the users, and we have provided a service that has been in increasing demand without any budgetary increases for seven years. We have responded to the clear political priority attached by our members to stabilizing the dispute settlement system, including by shifting considerable resources from other divisions in the Secretariat to the dispute settlement system; we have also allocated 29 additional posts to the legal division and to the appellate body.

We are also successful in other areas. Our trade policy reviews have an impact on the national trade policies of members. WTO's monitoring of protectionist measures has been very effective in times of crisis. The Secretariat is making valuable contributions to economic international research, and WTO's work on global value chains has had an impact on the development strategies of developing countries and LDCs. Our Aid for Trade activities help countries make use of the rules-guided multilateral trading system.

With regard to post-Nairobi work and the negotiation agenda, it is my personal opinion that it is a mistake to put such emphasis on the negotiations that take place during each Ministerial Conference. Negotiations should take place on a permanent basis in WTO's committees. In the days of GATT, Ministerial Conferences were held when developments warranted an historic meeting. Under WTO rules, Ministerial Conferences are held every two years and the temptation is to blow them up as historical events; this, in my mind, is a dangerous approach.

Should the success or failure of WTO as a whole be judged on the outcome of a single Ministerial Conference? WTO is a member-driven organization, but our members have not yet found the path on which to proceed after Nairobi. We do have some elements of certainty: members must work on a permanent solution on public stockholding for food security; a proposal for the special safeguard mechanism must be adopted; the information technology agreement should be implemented; new export opportunities for LDC service providers under the LDC waiver must be created; and the simplification of the rules of origin must help LDC exporters. Members are currently looking at micro and small and medium enterprises, and may



therefore take some time to decide and determine exactly what they want to negotiate when it comes to new issues such as e-commerce, digital trade, investment and relationships with other international organizations.

While we are very pleased that, after the successes of the Bali and Nairobi Ministerial Conferences, business has taken a renewed interest in the work of the WTO, we also value your continuous involvement. It is you, the parliamentarians, who are instrumental in shaping and changing the positions of your governments. You drive the members that drive the WTO, and the Secretariat is very interested in your guidance.



## QUESTION-AND-ANSWER EXCHANGE

**Mr. G. Thomas (United Kingdom)**



In the United Kingdom, the WTO is being viewed through the prism of the forthcoming referendum on European Union membership. I wonder if you could set out in a little more detail what the implications of departure from the European Union would mean for Britain's relationship with the World Trade Organization.

**Mr. N. Ake (Benin)**



The preparations for the Tenth WTO Ministerial Conference and the subsequent resumption of negotiations show that the WTO is facing difficulties and stands at a crossroads.

There is a danger that regional trade agreements will threaten the negotiating function of the WTO, and that the Organization will be relegated to the role of standard setter. WTO members should

work to safeguard the negotiating function of the WTO; multilateralism is the only way to ensure that LDCs will be integrated into the international trading system and avoid marginalization.

The Doha Development Round must be concluded before any new cycle of negotiations, and we are extremely concerned at the lack of consensus expressed in this regard in Nairobi; this impasse is what is continuing to paralyse the appropriate functioning of the WTO. Members need to implement their commitments to ensure that small countries are not left behind. The current difficulties with respect to appointments on the appellate body are a strong indication of the politicization of the WTO, and we appeal to all members to ensure that this body, which acts as the guarantor of the functional autonomy of WTO, can be allowed to operate.

#### Mr. I. Dodon (Republic of Moldova)



Moldova signed a trade agreement with the European Union in the hope of increasing its exports to the European Union market. However, as of January 2016, the volume of exports to the European Union has fallen by more than 14 per cent. Moldova's trade with the European Union has also suffered because of the bilateral trade sanctions between the European Union and the Russian Federation. We trust that WTO will work to prevent trade disputes between large countries and regions.

#### Mr. P. Rübzig (European Parliament)

The European Parliament has started a programme for migrant entrepreneurs, young entrepreneurs and female entrepreneurs. What can the WTO do for refugees and how can it

contribute to providing the education and infrastructure that will encourage people to stay in their home countries?

#### Mr. B. Diame (Senegal)



My concern is about the effective role of parliamentarians in the organization and functioning of the WTO. Parliamentarians are not involved in negotiations but are called upon at the end of the process to ratify agreements reached. Greater involvement of parliamentarians throughout the process would promote a better understanding of the issues and facilitate a dialogue with civil society. How can parliamentarians contribute to the WTO's work in such areas as dispute settlement, integration of the development dimension in agreements and capacity-building?

#### Mr. A. Bashir (European Parliament)



What can the WTO do to prevent corruption? Also, what can the WTO do to enable weaker individual nations outside a particular free trade area to benefit from the area?

### Mr. C.M. Huber (Germany)



WTO is the voice of the LDCs and of the developing countries and parliamentarians need to be fully informed of specific issues, such as those relating to agriculture. In the few areas in which the agricultural sector in Africa is a competitor, such as cotton, things get complicated. Another issue is the question of what Africa should trade outside of Africa and diversification of African economies. Some 70 per cent of African GDP is accumulated through the sale of raw materials, which does not deliver value added. Consideration also has to be given to corruption, including aggressive tax avoidance. Many of the decisions concerning Africa are made at the European level; inequality, lack of inclusion and conflict with respect to Africa are also issues that need to be addressed.

### Ms. F.O. Raji-Rasaki (Nigeria)



I would like the Deputy Director-General to share his perspective on the so-called new issues and their implications for the ongoing negotiations on the Doha Development Agenda, particularly in the

light of paragraph 34 of the Nairobi Ministerial Declaration.

### Mr. S. Kamunye Gichigi (Kenya)

The role of parliament with respect to trade issues should be enhanced. To that end, the WTO and the IPU should to establish a mechanism for engaging with parliaments. New parliamentarians should be given a structured briefing to enhance their understanding of trade issues, enabling them to better inform the electorate and influence government position.

### Mr. C. Matznetter (Austria)



I think that the biggest problem with respect to the new free zones is the question of the investor state dispute settlement procedure. Claims from multinational companies against small States within the framework of free trade are increasing, and the right of countries to make their own decisions and regulations will be eroded. There is no answer from the WTO, because it is not willing to offer an acceptable multilateral system for dispute settlement, including with respect to investors and their rights in a country. In the European Union, the European court never decides on the case, but gives a directive to the national courts on how to decide in a question of dispute. This could be a role model for a multilateral international court providing a framework to make all forms of free trade agreements more acceptable. The WTO should do more to establish a more harmonized system of free trade agreements between the countries.

### Ms. G.N. Condori Jahuirra (Peru)



I think that this discussion about the future of the WTO is a very positive one in the light of developments relating to the TPP. It is crucial for the WTO to establish a protocol setting out requirements and procedures, including with respect to transparency, to allay the fears and debunk the myths that relate to the TPP. I would also like to know how the WTO can help to ensure that such international legislation can be harmonized and offer benefits to all countries without imposing restrictions on service exports.

### Mr. P. Njoroge Ben (Kenya)



I think that persons with disabilities need to be better represented in the Organization and at trade conferences with a view to promoting inclusivity.

### Mr. B. Lange (Moderator)

In the European Parliament, discussions on trade agreements are focusing increasingly on sustainability, labour rights and CO<sub>2</sub> reduction. Is the WTO planning to discuss these issues?

### Mr. K. Brauner (WTO Deputy Director-General)

Thank you for all of the questions, I will do my best to answer them. We have no textbook guidelines on how to handle Brexit. The United Kingdom is a member of the WTO in its own right as well as a member through the European Union. I think much will depend on the outcome of the two-year negotiations between the United Kingdom and the European Union.

There is a danger that small countries, which do not form part of any RTA, will be marginalized. The multilateral approach is clearly the better one, and I hope that there will always be room for it. When in place, regional and bilateral agreements might be helpful for the multilateral process. However, during their negotiation, they are more of a hindrance because negotiators are not usually willing to put anything on the table for multilateral negotiations. The majority of WTO's members are developing countries and LDCs; it is important that the members organize themselves into groups, which gives them greater relevance. One of the contributions that the WTO has made to fighting corruption is the government procurement agreement, which some countries have joined a means of fighting corruption in their own systems. The WTO is also looking to tackle corruption through its existing agreements.

The WTO is entitled to consider such issues as the environment, labour standards and gender rights given the policy space granted to members, and is already doing so. While there are members who want to continue to negotiate issues under the Doha Development Agenda, there are others who want to negotiate new issues. The Secretariat believes that there is room for both approaches. However, there is general willingness to discuss all the issues on the Doha Development Agenda; no one can deny these issues lie at the heart of development.

What distinguishes WTO's dispute settlement mechanism from others is the provision of a strong secretarial and legal service at all levels. I think that we would gladly accept a decision of our members to give our dispute settlement system a wider mandate as long as the necessary resources were provided.

**Mr. M. Chungong (Secretary General of the IPU)**



The comments about the need for training and capacity-building on trade issues for

parliamentarians are very useful given the high turnover in parliamentary membership, and have been well noted. The IPU will endeavour to include issues relating to trade in its induction programmes for newly elected members of parliament, relying where necessary on the technical expertise of WTO, in the context of our cooperation.

**Mr. K. Brauner (WTO Deputy Director-General)**

The WTO will be pleased to provide any expertise IPU may require in the context of induction programmes for new parliamentarians. I will be pleased to look into the processes concerning recruitment of persons with disabilities at the WTO.



# SUBSTANTIVE THEME

## MAKING TRADE WORK FOR DEVELOPMENT AFTER NAIROBI

*Discussion paper presented by Mr. Paul Rübzig, Rapporteur, Member of the European Parliament*

The successful outcome of the negotiations at the Ministerial Conference in Nairobi has reaffirmed the central role of the WTO in the international trade governance. The Nairobi package contains important provisions in the agricultural field, and once implemented, it will benefit all Members, developing countries in particular. The conclusion of the Information Technology Agreement in Nairobi has also shown the importance of advancing multilateral negotiations in different formats and the possibility for the organisation to deliver.



While the advancement of the multilateral agenda should ensure that all Members are involved, the World Trade Organization should also be a platform to negotiate plurilateral agreements. Aiming at further developing an international trade regime to the benefit of all, we should be open to start negotiations within the WTO-framework with all countries who are willing to agree upon certain advances on trade-related issues. However, if further WTO members decide to join such agreements at a later stage, they should have the right to do so at any time in the future, provided that they fulfill the required conditions.

In addition to these negotiations, different partners can conclude regional or bilateral agreements which should be seen as complimentary - not a substitute for - the multilateral negotiations.

While we have to advance negotiations on the Doha Development Agenda – started back in 2001 -, we also need to acknowledge that the world has changed since then. We now live in 2016. If the WTO is to remain a relevant organisation, it also needs to start discuss trade as it is carried out today. E-commerce and digital trade is a reality, and their share of global trade is growing very fast. The ways and formats for how to deal with these "new" issues might still need some reflection, but we cannot wait for too long. The fact that we also start to discuss other issues that go beyond what is listed in the Doha mandate, should not be seen as a threat towards developing countries, but more as a chance to share technological advances much faster and more equally across the globe. Developing countries also use new technologies, and in fact sometimes more innovatively than in the developed world. New technologies can help them get around the lack of infrastructure and connect them to the global market in a way that was not possible a decade or two ago.

The way we are doing trade has also changed in many other ways during the last decades. More and more of the world's economic activity is now organized through global value chains (GVCs) and strategic networks, rather than through sales between vertically integrated buyers and sellers in different countries. Intermediate goods now make up for nearly 60% of world imports. Services are playing a key role in the operation of these GVCs and international production networks, especially transport, communications and other business services, the fastest-growing component of world trade. Goods and services are now fully intertwined and inseparable in production, the radical distinction between goods and services is no longer available. Both our policies, but also trade negotiations, need to take this into consideration, including with regard to the rules on customs valuation.

This is a particularly important aspect also for how our rules of origin are drafted, as they do not always take into account the integrated and interdependent economies of today, and very often makes it difficult for least developed economies both to develop and to actually use the preferential treatment that has been granted them at all. The decision reached in Nairobi on preferential rules of origin for LDCs is a step in the right direction to make it easier and more transparent for the LDCs to comply, and I sincerely hope that all WTO Members will do their best to implement this swiftly. In fact, simplified rules of origin are among the specific targets for trade under the Sustainable Development Goal nr 17, as it was agreed to *"ensure that preferential rules of origin applicable to imports from least developed countries are transparent and simple, and contribute to facilitating market access"* (target 17.12). Furthermore, complex and non-harmonised rules of origin represent a major barrier to trade for small and medium-sized companies who often lack the necessary resources to apply these rules.

Furthermore, we need new incentives and tools to improve the participation of especially developing countries in world trade, such as protections on IPRs in order to increase innovation and to boost competitiveness. Tariff reductions alone are not enough; they do not necessarily increase the capacity to compete on a global market. This is why the Trade Facilitation Agreement and the facility that is linked to it are so important. Combined with the assistance provided under the Aid for Trade programs, major progress can be achieved both when it comes to material conditions and cutting of red tape and bureaucracy, as well as capacity building and know-how.

We also need to look at the interlinkage with other policy areas. Free, fair and sustainable trade doesn't happen in a vacuum. Corruption is, among other things, heavily trade distorting. Good governance structures and legal certainty are absolutely necessary for a good investment climate, and this is of particular importance for our small and medium sized companies, SMEs. Big companies have the resources to fight their way through hostile environments; they can also take risks that smaller companies cannot afford. Overall, SMEs are the backbone of our economies and are responsible for the creation of the big majority of jobs in both developed and developing economies. They depend on a stable and reliable environment, as well as tailor-made support, in order to be able to participate in business abroad.

To sum up: the WTO has shown that it can deliver. Multilateral agreements will remain of crucial importance for world trade, but a more flexible approach to how and in what format they are negotiated is necessary. If trade is to work for development, we also need to take into account the changing reality under which global trade operates. WTO needs to be able to discuss issues such as e-commerce or the interlinkage between trade and other policy areas which have an impact on the trading environment. Only then can trade fulfill its potential as a tool to lift people out of poverty, as an instrument for growth and jobs - and real development.

*Discussion paper presented by Mr. Anurag Singh Thakur, Rapporteur, Member of Parliament (India)*

1. Trade is an engine of growth and an essential ingredient of development. The Preamble of the Marrakesh Agreement establishing the World Trade Organization (WTO) recognizes the *need for positive efforts designed to ensure that developing countries, and especially the least developed among them, secure a share in the growth in international trade commensurate with the needs of their economic development.* The idea of development is ingrained in the WTO system and the Agreement clearly sets the agenda for trade liberalization and for promoting development. Thus, the WTO should strive to make trade work for development.



2. In achieving this objective of making trade work for development, the role of the WTO and its members bears a special significance particularly in view of the last concluded 10<sup>th</sup> Ministerial Conference of the WTO in Nairobi, where we had a mixed bag of results. The non-reaffirmation of the Doha Development Agenda (DDA) in the Nairobi Ministerial Declaration is, in fact, not very encouraging. How can we make trade work for development, while ignoring the core issues of development put forth for negotiations in the Doha Round? While speedy integration of developing and the least-developed countries (LDCs) into the world trading system is imperative, conclusion of the Doha Development Agenda, and implementation of the commitments of Ministerial Decisions are of paramount importance to achieve this objective.

### **Integration of the Developing and the Least-Developed Countries (LDCs) into the World Trading System**

3. Trade impacts different countries differently depending upon their stages of development. There is a wide gap between developed countries, and developing and the least-developed countries (LDCs) in terms of their capacities. The stage of development and the state of infrastructure of a country play a vital role in extracting the benefits of international trade. In the absence of a level-playing field for all countries, trade can have negative impacts on countries which are in a disadvantageous position. Hence, the WTO as a multilateral forum for the negotiation of trade agreements has an important role in ensuring a level playing field for all trading countries so as to benefit from increasing international trade and commerce.

4. It is in this direction that the concept of "Less than Full Reciprocity" was brought into trade rules in the GATT to counter the adverse impacts of trade liberalization on developing countries and the LDCs. Further, the formation of the WTO saw these provisions realized in a more practical way in the "Special and Differential Provisions" of the Uruguay Round Agreements, where developing countries were allowed lower tariff cuts and longer implementation periods for various commitments. Despite the concept of "Special and Differential Treatment" in the Uruguay Round of trade negotiations, the trade rules were still largely in favour of developed countries.

5. With the intention of providing a level playing field to developing countries and to improve their trading prospects, the Doha Ministerial Conference in 2001, for the first time in the history of trade negotiations, brought the issue of development to the fore and recognized the centrality of development in trade negotiations at the WTO.

### **Successful Conclusion of the Doha Development Agenda (DDA)**

6. Since the launch of the Doha Round of trade negotiations, it has been stuck in a logjam due to wide gaps in the positions taken by the developed countries on the one hand and the developing countries on the other. Conclusion of the Doha Round as mandated in the Doha Declaration would result in addressing a large number of issues impacting developing countries and the LDCs. However, it is disheartening that very little has been achieved despite hectic negotiations spanning over a decade and a half. When requiems were being written for the DDA, the Bali Ministerial Conference gave some hope to the world through the very first outcomes in the DDA and multilateral trade. The Bali Ministerial Declaration and Decisions on certain issues relating to trade facilitation, agricultural issues and some developmental issues pertaining to the LDCs gave back much needed life to the multilateral trade negotiations. However, multilateral trade negotiations are never easy and in spite of the strong will of members as expressed in Bali, they could not agree on a Work Programme for rest of the Doha issues. The sequence of events post-Bali was also not very encouraging and the developing countries were especially pained to see that no real commitment was being shown to address the issues of development and there was a clear lack of engagement on the issues concerning the developing countries and the LDCs.

7. Things could not have gone worse for the developing countries, with the very core of the development-centred DDA being questioned at the post-Bali negotiations and also in the Nairobi Ministerial

Conference. We, the developing countries, were buoyed by the Bali outcomes but by the time Nairobi approached and happened, there was a sense of disillusionment which is all pervading. This is due to the reluctance of some of members to honour the commitments made by them in Doha and subsequent Ministerial Conferences. Any system, more so a multilateral system with a diverse membership such as the WTO, can be successful only if commitments made are honoured and goalposts are not changed at the convenience of some of the members.

8. The WTO membership largely comprises developing countries (including the LDCs) and these countries are still faced with the same issues of underdevelopment and lack of resources that they were faced with at the start of the century. The issues which should have been addressed long ago are being conveniently pushed aside to make way for new issues that reflect the priorities of developed countries.

9. The Nairobi Ministerial Conference (2015), the first WTO Ministerial Conference to be held in Africa, a continent with the most LDCs, should have been the last place where the very existence of the DDA was challenged. Despite overwhelming support for the continuation and successful conclusion of the Doha Round, the DDA was not reaffirmed.

10. India's consistent stand has been that the Doha Development Round must contribute to development as per its mandate and that all areas under negotiation must be addressed, building on progress made over the years. Completion of the Doha Development Agenda in its entirety would be a major contributor towards levelling the playing field in global trade for developing countries, especially the LDCs. For example, one of the mandates of the Doha Round is to reduce and discipline the huge agricultural subsidies provided by developed countries: this would remove long-standing distortions in global agricultural trade and improve the competitiveness of agricultural producers in developing countries. Thus, there is a need for the member countries of the WTO to engage themselves constructively for an early conclusion of the Doha Development Agenda on priority so that developing countries are better integrated into the multilateral trading system. While a successful conclusion of the DDA will pave the way for broadening the trade agenda at the WTO and for rule-making in future, non-delivery would always cast a cloud over future rounds of trade negotiation and developing countries and the LDCs will be the worst sufferers.

### Implementation of Ministerial Decisions

11. At the Nairobi Ministerial Conference, only a few decisions pertaining to the Doha Round were arrived at. While the Nairobi Package includes decisions on agriculture, cotton and issues related to the LDCs, there was an attempt by some members to obtain a mandate for the introduction of new issues to the table for discussion, neglecting the Doha Development Agenda, which has been under discussion for more than a decade and a half. The Nairobi Ministerial Declaration clearly brings out the fact that a decision to launch negotiations multilaterally on any such issues would need to be agreed by all members. It is, therefore, imperative that the Decisions on the issues of interest of developing countries are implemented in right earnest by the member countries of the WTO.

12. As the Nairobi Ministerial Declaration records that WTO work will maintain development at its centre and also reaffirms that provisions for "Special and Differential Treatment" shall remain integral, India stresses the need for the WTO member countries, particularly the developed ones, to honour and implement the Ministerial Decisions of the WTO.

13. India is one of the few countries that have already notified preferential treatment to the LDCs in services trade. Regarding the implementation of preferential treatment in favour of Services and Service Suppliers of LDCs and increasing LDC Participation in Services Trade, India is the only member which has offered the waiver of visa fees. This is a unique and almost path-breaking offer by India. One of the elements of the Hong Kong Ministerial Declaration of December 2005 was to extend Duty Free Quota Free (DFQF) access to the LDCs. India announced the Duty Free Tariff Preference (DFTP) Scheme for the LDCs in the

year 2008. At present, 31 out of 48 LDCs have become beneficiaries to the scheme. Out of this, 21 LDC beneficiaries are from Africa and 10 are from the Asia-Pacific region.

14. Today, while global trade is falling faster than falling GDPs, it brings into stark focus that the contribution of trade to global economic growth is declining. However, the trade potential of developing countries within Asia and between Asia and Africa remains unexplored. These societies have exhibited steady demand since the aftermath of the global financial meltdown of 2008. It is, therefore, imperative that the WTO and related trade mechanisms should think of ways to explore and promote trade growth in territories unexplored hitherto. India also ratified the Trade Facilitation Agreement in April 2016. It would be seen that India is committed to the cause of multilateralism and believes that the WTO can be strengthened by members honouring commitments made at the forum.

15. Today, the macro global discourse has shifted from trade as a forex earner to trade as a necessity to bolster global growth. East Asia's economic experience reveals that trade growth is intrinsically linked to manufacturing and infrastructure. Thus, we should bring infrastructure investment and manufacturing as twin pillars to help boost flagging global growth. In this direction, in India, we have introduced national initiatives, such as "Make in India", "Skill India", "Start up India", etc., into this process as ways to promote global trade. Thus, WTO discourses on trade should look at this manufacturing opportunity as a way to bolster global growth by providing a global ecosystem that is conducive and supportive of free and fair international trade.

16. India has always been a strong supporter of an open, rules-based and non-discriminatory multilateral trading system. At this crucial juncture when attempts are being made to turn the negotiating table towards non-trade issues, the quintessence is that the WTO should remain a useful and progressive multilateral institution. The Nairobi Ministerial Decisions must be implemented with a sense of urgency so as to strengthen the multilateral trading system. There is a need for members to honour the commitments of the Bali Ministerial Conference and General Council Decisions on public stockholding for food security purposes, on the implementation of the Nairobi decisions on *Special Safeguard Mechanism (SSM)* for agricultural products (of developing countries), on *Public Stockholding for Food Security Purposes*, and on other outcomes of interest to developing countries and the LDCs. Addressing the remaining Doha issues simultaneously will help the multilateral trading system move forward.

17. These steps will not only help greater integration of developing countries and the LDCs into the global trading system, but will also revitalize the multilateral trading system and ensure all round development.

### *Discussion paper presented by Mr. Helmut Scholz, Rapporteur, Member of the European Parliament*

#### **I. MC 10**

Nairobi was widely regarded as a watershed for the perspective of the WTO as institutional structure that has to deal with the deep changes in the international political, social, economic, and commercial arena. It was and is considered as an answer to the challenge to all WTO Member States to both finalize the DDA as a precondition for the further development of the WTO, and to deal with new challenges towards the multilateral trading system.



The 3 Facilitators of the WTO Trade negotiations Committee had stressed in their report to MC10 (29-10-2015, JOB/TNC/55), presented after consultations with 58 delegations (incl. groups of MS) in October 2015, that "a large number of delegations to the WTO said, that the MC 10 declaration should reaffirm the centrality of the multilateral trading system and the WTO as the preeminent institution for global trade governance", while also the "views on the future could have been divided into 2 broad categories, i.e. on the one hand in those, who see the 'future' anchored on the wider work of the organization – that means all its functions and its relevance in the global world economy/global governance, and not an emphasis on its negotiating function alone. On the other hand were those favouring to address the question of the negotiating function of the WTO and in particular the future of the DDA negotiations as preserving this negotiating function of the WTO, especially in the light of a proliferation of plurilaterals/mega-regionals that do not include all Members provoking eventually a possible paralysis in the DDA round concluding negotiations", what should be prevented.

Also from the European Parliament's perspective it was clear: MC 10 would become a watershed between those countries - and the EU is part of this grouping within the WTO - which want to reaffirm the vital role of the WTO and give guidance on the future work in each of its functions, incl. monitoring, trade policy review, negotiations, dispute settlement, accessions, development – all this being the core tasks of future work of the WTO.

On the other hand there are those countries, which emphasised before Nairobi that only the reaffirmation of the commitment to the DDA would allow to preserve the legal architecture of the WTO and its ability to fulfil all those WTO declarations still not implemented and which therefore referred in particular to the para 45, 47 and 48 of the Doha Declaration as being the central issues for the future work of the WTO after Nairobi.

The expectations to MC 10 had been at the same time very high and very low - considering on the one side that the Bali agreement had been a first breakthrough after several years of a stagnating Doha round through which better grounds had been created to work towards a complex and final solution of the remaining Doha Tasks, while on the other side certain parties were deeply reluctant regarding the continuation of these Doha negotiations which had in their view not been able to deal with today's reality changed by economic and technological developments in the second and third decade of the 21<sup>st</sup> century. These changes are about to include all countries into global value chains, which is deeply influencing and at the same time limiting their own economic development by requiring adjustment to the needs of other actors in the value chains.

Nairobi reaffirmed the responsibility of the WTO to continue to work on solving the remaining DDA issues, but weakened the political backing and narrowed the time frame for achieving that task. Indian daily The Hindu quoted trade experts and NGOs as saying that the 'Nairobi package' has "effectively killed" the fundamental objective of the WTO's Doha Round negotiations, which was to improve the trading prospects of the developing and the poor world, or in other words a 'development agenda.'

Indeed, discussing the future work of the WTO after Nairobi requires first to remember the international frame in which the Doha-Round became the cornerstone of further WTO development. The DDA was a response to 09/11, the commitment to end poverty by making trade work better for developing countries was intended to be a counter strategy to the rise of terrorist organisations. And it must be analysed and named in public why there is still such a lack of determination to implement the jointly defined aims and efforts. But since the days when the DDA round was agreed and started, the economic parameters have changed. Today's world economic situation is very different.

There is an unwillingness in particular in the US government but also from several other developed and developing countries to deal with the changed reality in the economic and technological developments in the second and third decade of the 21<sup>st</sup> century, which are characterized by the growing incorporation of all national economies into global value chains, with economic conditions often being defined by the power of the global financial markets.

There are consequences for developing countries, which are different from the situation for least developed countries. These developments are further diminishing and destroying the basis as well as the perspective for many developing countries to participate as equal partners of the developed countries in the international economic cooperation and international trade. The adaptation of their economic setup to merely fulfilling their role at a certain position in a global value and production chain is limiting and in fact undermining their ability to make independent political decisions on their economic and social future. Issues such as defining and addressing their own sustainable development goals, encouragement schemes for participating in education and in society, extending access to health care, etc., are at stake.

From a perspective of Least Developed Countries, the Nairobi Ministerial Conference did deliver. All WTO Member States decided to agree on several issues of importance for the Least Developed Countries - i.e. the so-called LDC package, incl. the commitment to abolish export subsidies for farm exports, to have rules for public stockholding for food security purposes, a special safeguard mechanism for developing countries and measures related to cotton. Decided were also preferential Rules of Origin and extension of the services waver for LDCs. Nairobi MC 10 stressed the will of WTO MS to speed up the ratification and by that the implementation of the Bali package, in particular the TFA. But such important themes as the Transparency and Special and Differential Treatment for all developing countries couldn't be pushed to an agreement. The Information Technology Agreement (ITA) was concluded, eliminating tariffs on 201 information technology products (=1,3 trillion \$ trade volume per annum), which will lead to reduced consumer prices, but will in itself not be enough to encourage IT production in LDCs.

## II. Globalisation and new economic developments

Globalisation, technological revolution and the era of growing digitalisation in production and consumption as well as industry 4.0, and global services provisions are some of the key words in new economic developments. Along with them come new challenges and questions related to global economic interdependencies, including the impact on forms of international trade and the measuring of trade, profits, and taxes. Given these changes we observe rather limited results of the WTO MC 10 and an obvious inability to formulate responses in the interest of both the developing and the developed countries, bearing in mind broader expectations of people worldwide regarding the WTO contribution to the creation of decent jobs and the protection of the environment as main priorities to achieve and maintain economic and social stability. We need to agree in order to prevent new crises which could lead to further destabilisation of the world economy. These are the actual challenges in the debate about the Post Nairobi WTO tasks.

The WTO operates under the general assumption that trade benefits everybody. And the Doha Development Agenda was intended to rebalance the world trading system in favour of the population of developing countries. Twenty one years after the formation of the WTO we have the right to ask whether the organisation could deliver on its founding promises.

A number of scientific reports published in recent years indicate rising inequality: The latest World Bank Report and the publication of the Oxfam report "Economy for the one percent" show that the greatest beneficiaries of the globalised economy are the few richest people in the world. Today, 62 people own as much as half of our planet's population. This figure is mirroring a wrong distribution of wealth and badly functioning structures of economic development.

In this context, the growing number of bilateral trade agreements is alarming, in particular those concluded by the strongest economic nations and blocs, including FTAs of leading OECD countries among themselves, and with certain Third countries, which remain being the hub in their network of bilateral agreements with their respective periphery, influencing and determining the domestic economic policies of those countries. Additionally, the protagonists in this era of a new kind of Bilaterals / Mega-regionals aim at establishing a set of rules and definitions for commercial and economic relations tailor-made to their own interest.

These developments - and the Nairobi declaration is opening the door for a working mode of the WTO in line with these developments - are challenging the overall approach and universal character of the rules-based multilateral trading system of the WTO and the equality of all WTO Member States in future decision-making processes.

Sixty million refugees in the world portray the grave impact of mistakes made in international trade policy since the formation of the WTO. India, Bangladesh, China, Brazil, Ecuador or Kenya should not be blamed, if these governments chose to prioritise their own economic development and the fight to provide food for their own population, over the principles of free trade and the freedom to speculate of food prices in the globalised markets.

The WTO Member States should discuss and determine their approach to deal with the new value chains, the role of Transnationals and Multinationals, and the specific needs for domestic, regional and international forms of regulation of economic developments, as well as for commercial co-operation. This is necessary in order to achieve the DDA goals, as well as the post-2015 goals and in the light of new economic and technological developments.

Nobel prize winner Joseph Stiglitz describes in his book "Creating a Learning Society – a new approach to growth, development and social progress" (N.Y., 2014) that there should be today a comprehensive and broad analysis of the comparative advantages regarding the growing mobility of qualified labour forces and capital flows. It is not any more the markets alone and therefore a growth-orientated free trade impetus, that are guaranteeing economic and social progress, but the state interference with its political regulation achieves higher and sustainable growth. He judges that industrial policy, including trade policy interference, should be the priority and become a core pillar in the general macro-economic development.

Taking such thoughts seriously into account when defining the Post Nairobi WTO task No 1, we should mainly focus on the future contribution of international trade to the macroeconomic development of WTO MS and what that means for the institutional restructuring needs for the organisation itself, including the will to keep the institution alive.

The Post Nairobi agenda must be the development of proposals and constructive multilateral solutions regarding industrial standards, taxation, IPR, but also regarding pollution and environmental standards, and concerning the promotion and safeguarding of labour and other social and individual rights. We have specialised organisations and fora in place where these issues are debated, but this is not sufficiently translated into our trade rules. Let me mention forms of environmental or social dumping as an example, or the difficulties of our national judicial systems to deal with corporate tax crimes or human rights violations. If we are not able to work out solutions multilaterally, meaning in the WTO and in the specialised international institutions, we are strengthening those profiting from the absence of rules. We would be only continuing the old power relations and economic dependencies, which have always ignored the growing needs of developing countries, and which are not capable of coping with new global tasks like for instance the demographic challenges. Africa alone is expected to host at least 2.5 billion human beings by 2050, many of them young and full of expectations regarding a knowledge-based economic development in their countries. The old structures will also continue to fail to provide the women in WTO Member States an active and equal role in the new definition of economic and trade related policies needed for the 21<sup>st</sup> century.

### **III. Democratization of the WTO and the international trading system**

It is necessary to speed up the process to improve the political and democratic grounding of the WTO. In particular the negotiation processes within the WTO must become more transparent by better linking them to the parliamentary and public debates and decision making processes in the WTO Member States themselves. The growing gap between negotiation rounds in the WTO frame (Geneva and WTO MCs), characterised as a closed shop, open only to highly specialised lobby groups, must be overcome by strengthening democratic control of the negotiation processes, and by establishing transparency and

responsibility through establishing a strong and institutionalised parliamentary dimension of the WTO and the multilateral trading system.

What Honourable Owona Kono from Cameroon said in our Parliamentary Conference at the WTO in Geneva in 2015, remains true: "The role of parliaments is to represent and defend the interests of all peoples. (...) Enhance parliamentary oversight, defined as "the analysis, monitoring and control of action by government and public agencies, including the implementation of policies and legislation". Such oversight focuses on the objective and nature of the activities concerned. In order to promote peace through international trade, parliaments must, in exercise of oversight, ensure that agreements are negotiated based on the interests of the people, and that government authorities effectively and equitably apply the policies negotiated."

### *Discussion paper presented by Mr. Dennis Dumisani Gamede, Rapporteur, Member of Parliament (South Africa)*

Times are constantly changing and Trade has to move with the times. Today we have Internet, E-trade, E-commerce and new technologies. The whole world, Africa and South Africa, are compelled to move with the times.

The mere fact that the WTO met in Nairobi in 2015 in a Developing country was history itself and an indication that Africa is rising. This was the beginning of the journey of Africa's role to being leading participants on Trade issues.



The Nairobi declaration expressed a commitment to advance negotiations on the DOHA issues. South Africa and Africa's over-riding objectives are:

- Structural Transformation,
- Industrialization and
- Integration.

Outcomes of the WTO should support these objectives, or at least not undermine them.

South Africa has consistently raised its opposition to industrial tariff cuts. We opposed the 2008 NAMA modalities and the industrial tariff-cutting options in 2015.

While Special Safeguard Mechanism (SSM) could help protect African economies from unfair imports, linking it to market access would further open out markets and erode preferences without delivering any new access for African exports.

A major concern is that, some of the least developed countries in Africa, have the most minerals, resources and agricultural products in the world! So it is highly appreciated that in Nairobi, preferential rules of origins were a major success and a step in the right direction in opening the way for LDC's.

In order for trade to work in developing countries, the outcomes must be:

- Poverty eradication,
- job creation and
- eradication of illiteracy.

The WTO should really remain a platform for all to negotiate Trade issues, that is the Least Developed, the Developing and the Developed countries.

A significant number of achievements were recorded in Nairobi:

- (1) Information Technology agreement.
- (2) Agricultural Agreements.
- (3) Commitment to advance remaining DOHA issues.
- (4) Discussion of the Implementation of the MC10 export competition outcome.

As a principle, all relations agreements are good, be they Bilateral, Regional or Multilateral. The time has come, for all LDC's and Developing countries, to charter the way for the future generations, the WTO is the correct platform for that, Nairobi, Africa, has set the pace.



### *Introductory remarks by Mr. P. Rübzig, Rapporteur (European Parliament)*

The future for WTO may well be good. Progress was made at the Tenth WTO Ministerial Conference in Nairobi, and the package contains important provisions in the agriculture field.

In addition to its work on multilateral trade issues, the WTO should provide a platform for the negotiation of plurilateral agreements. Members should be able to join such agreements at a later stage as long as they fulfil the required conditions. Partners should also be able to conclude regional and bilateral agreements, which should be seen as complementary to – rather than as a substitute for – multilateral negotiations. Creation of a win-win situation for all sides will create a real impact.

The world is changing dramatically, and e-commerce and digital trade, which are accounting for an increasing share of global trade, must be addressed. The fact that we are also beginning to discuss other issues that go beyond the mandate of the Doha Development Agenda should not be seen as a threat to developing countries, but more as a chance to share technological advances more rapidly and equally across the globe. We, as parliamentarians, have a responsibility for creating the right framework. The lack of infrastructure in a number of developing countries can be addressed through better education and new digital technologies.

An increasing amount of the world's economic activity is now organized through global value chains and strategic networks, and intermediate goods now account for nearly 60 per cent of world imports. Services are playing a key role in the operation of these global value chains and international production networks, particularly transport and communications.

### *Introductory remarks by Mr. A. Singh Thakur, Rapporteur (India)*

Trade is an engine of growth and essential for development. The Marrakesh Agreement, establishing the WTO, recognizes the need for positive efforts designed to ensure that developing countries, especially the least developed countries, secure a share of the growth in international trade commensurate with the needs of their economic development. WTO should therefore strive to make trade work for development. It has an important role in ensuring a level playing field for those engaged in multilateral trade negotiations.

We are all aware that the WTO largely comprises developing countries, including LDCs, which continue to face the critical issues of underdevelopment and lack of resources. It is well recognized that there are asymmetries in the current trade rules, which put developing countries at a disadvantage. A more inclusive trading system that takes into account varying levels of development needs to be established. The ninth and tenth WTO ministerial meetings reinvigorated the negotiating pillar of the WTO. The Bali and Nairobi packages contain important decisions in areas of interest to the LDCs, such as agriculture, export competition, public stockholding, special safeguard mechanism for developing countries and the Trade Facilitation Agreement. However, much remains to be done to facilitate the full integration of the LDCs into the world trading system.

The conclusion of the Doha Development Agenda remains of paramount importance. WTO must continue advancing negotiations on all aspects of that Agenda, including agriculture, non-agricultural market access, rules and services. Special and differential treatment and the concept of 'less than full reciprocity' are essential if trade is to work for the development of all. The Nairobi Ministerial Declaration stipulates that WTO shall keep development at the centre of its work and reaffirms that provisions for special and differential treatment shall remain integral.

The concerns and interests of developing countries must be kept in clear focus. Continued efforts have to be made to address the marginalization of LDCs in international trade and improve the participation of those countries in the multilateral trading system. India is one of the first developing countries to extend duty-free and quota-free access to all LDCs and has provided those countries with substantial and commercially meaningful preferential treatment in the services sector.

Services are a vehicle to facilitate the participation of developing and least developed countries in international trade and the achievement of development gains. However, integrating the developing countries, particularly the LDCs, into the services economy, and increasing their participation in the services trade, remains a development challenge. Efforts must be intensified.

Trade, traditionally regarded as a foreign exchange earner, is viewed increasingly as essential to bolster growth. East Asia's economic experience reveals that trade growth is intrinsically linked to manufacturing and infrastructure. WTO trade discourse should encourage industrial development processes in developing countries and facilitate growth by providing a global ecosystem that is conducive to and supportive of fair and equitable international trade.

In 2016, growth in the volume of global trade is expected to be below 3 per cent for the fifth consecutive year. Against a background of low global demand and slow growth in the world trade, WTO continues to play an important role in acting as a bulwark against protectionist sentiments. An open, rules-based and non-discriminatory multilateral trading system is crucial for the stability of the global economy. The achievement of development-oriented outcomes for the remaining issues under the Doha Development Agenda should

remain a priority for the WTO. The organization must keep the aspirations of millions of people living in the developing world in clear sight and ensure that trade works for the development of all.

### *Introductory remarks by Mr. H. Scholz, Rapporteur (European Parliament)*

WTO is perceived as a multilateral institutional structure that has to deal with deep changes in the international political, social, economic and commercial arenas, and the Tenth WTO Ministerial Conference in Nairobi was widely regarded as a watershed. It provided an opportunity to address the challenge of finalizing the Doha Development Agenda as a precondition for the further development of the WTO, and to deal with new challenges for the multilateral trading system. There were those who had insisted that the Doha Development Agenda should be concluded, and others who agreed that it was important to look beyond that development agenda.

I think that Nairobi served to achieve the objective of reaffirming the centrality of the multilateral trading system and of the WTO as the pre-eminent institution for global trade governance. However, there is a belief among certain elements of society and economic stakeholders that the WTO is unable to deliver, and some even consider WTO to be dead.

It is true that, in the face of new challenges for all countries in the world, such as the technological revolution, growing digitalization and economic interdependencies, WTO has achieved rather limited results in formulating policies in the interests of developing and developed countries. The failure to develop a functioning multilateral trading system is leading to a growing number of bilateral trade agreements; the rise in free trade agreements between leading OECD countries is particularly alarming.

A number of scientific reports published in recent years indicate that inequality is increasing. The latest World Bank report and Oxfam's publication 'An economy for the 1 per cent' show that those benefiting most from the globalized economy are the few richest people in the world. The 60 million refugees in the world demonstrate the grave impact of mistakes in international trade policy. There should be a comprehensive and broad analysis of comparative advantages regarding the mobility of labour forces and capital flows.

I believe that we should strive for the further democratization of the WTO, and that parliamentarians should be more involved in looking at how trade is functioning worldwide. In order to promote peace through international trade, parliaments must, in exercise of oversight, ensure that agreements are negotiated based on the interests of the people and that government authorities effectively and equitably apply the policies negotiated.

### *Introductory remarks by Mr. D. Dumisani Gamede, Rapporteur (South Africa)*

Trade has to move with the changing times. The fact that the WTO Ministerial Conference in December 2015 was held in a developing country in Africa was history in itself and an indication that Africa is on the way to becoming a leading participant on trade issues. A number of achievements were recorded in Nairobi, including the information technology agreement, agricultural agreements and discussion of the implementation of the export competition outcome. Moreover, the Nairobi Ministerial Declaration expressed a commitment to advancing negotiations on Doha issues. Overriding objectives for Africa include structural transformation, industrialization and integration, which should be supported by the WTO.

South Africa has consistently raised its opposition to industrial tariff cuts and opposed the 2008 non-agricultural market access (NAMA) modalities and industrial tariff-cutting options in 2015. Linking special safeguards mechanisms, which could help to protect African economies from unfair imports, to market access, could further open up markets and erode preferences without delivering any new access for African exports. The Nairobi ministerial decision on preferential rules of origin for LDCs is highly appreciated and constitutes a step in the right direction in opening the way for those countries, some of which have the most minerals, resources and agricultural products in the world.

If trade is to work in developing countries, outcomes must include poverty eradication, job creation and promotion of literacy. WTO should remain a platform for all countries – least developed, developing and developed – to negotiate trade issues.

All agreements – bilateral, regional or multilateral – can be beneficial. However, WTO is the correct platform to build on the Nairobi successes and enable all LDCs and developing countries to charter the way for future generations. African countries must be leading participants in trade issues if trade is to work after Nairobi.



### EXCERPTS FROM THE DEBATE

#### Mr. I. Vongkusolkit (Thailand)



Since its establishment, WTO has not done enough to respond to issues of inequality that continue to exacerbate social and political instability in many member countries. How can members facing such problems agree on trade issues? The social and physical infrastructure in such countries should be

addressed as a matter of priority, including through coordination between the WTO and aid organizations.

Capacity-building for parliamentarians is also necessary to facilitate the full ratification of WTO agreements and decisions, and WTO should work with countries in that regard.

#### Lord M. Sheikh (United Kingdom)

There is a need to take a positive and robust stance against corruption. Countries may wish to consider enacting relevant legislation criminalizing bribery and corruption, as the United Kingdom has done.

#### Mr. S. Toqan (Jordan)

The large numbers of refugees attest to instability in a number of regions, which may be exacerbated by poverty. Trade must be fair to all and tackled in such a way so as to improve the export potential of less

developed countries. Such countries should also be given technical assistance enabling them to produce goods that can compete on international markets; import substitution and preferential treatment are not sufficient.

**Mr. K. Buchner (European Parliament)**



The Nairobi Ministerial Conference decided to end subsidies on agricultural exports, but subsidies on agricultural production are much more important. Fair trade will be possible only if subsidies are completely eliminated, but the European Union and the United States will not renounce their policy. How therefore can we ensure fair trade on agricultural goods?

**Mr. S. Alhousseini (Saudi Arabia)**



WTO should focus on expanding the sectoral agreements concluded since Marrakesh, and its structure and decision-making processes need to be reviewed, since the existing mechanisms give power to the older members.

**Mr. S. Tamiha (Indonesia)**



WTO has a unique opportunity to establish a new development framework based on the needs of humanity, not nations. It should establish an alternate group to draft proposals on priority issues from the Doha Round, with a focus on global trade needs rather than on global trade volume, to ensure that the underprivileged three billion people in the world do not have to make any further sacrifices.

**Mr. T. Medni (Tunisia)**

International trade can drive development in many countries, provided that we foster a conducive international climate. What are your views on national agricultural subsidies in developed countries, which prevent farmers from developing countries from trading on a fair footing?

**Ms. N. Ahmad (Malaysia)**



International trade has evolved from 2001 when the Doha Development Agenda was launched. Although countries may also wish to give consideration to new

issues, they must strive to conclude the Doha Development Agenda. Malaysia, which is the 24<sup>th</sup> largest trading nation, looks forward to greater market access in agriculture, industrial goods and services on a non-discriminatory basis. Regional and free trade agreements should not be detrimental to countries outside such arrangements. Although Malaysia is actively pursuing bilateral and regional trading arrangements, including through ASEAN, it considers that the WTO remains relevant and that multilateral trade negotiation will continue to be the most cost-effective way of opening up markets.

#### Mr. X. Wang (China)



Over the last two decades, we have seen how international trade can promote economic development all over the world within the framework of the multilateral trading system. If the Sustainable Development Goals are to be achieved, we will have to strengthen further the multilateral trading system by breaking down trade barriers and facilitating free and fair trade, particularly for the benefit of developing countries and LDCs.

Remarkable achievements have been made in the Doha Round, but difficult challenges remain. The inference that WTO is dead or sick shows how serious the problem is and how urgent the need to restore confidence in the multilateral trading system among the public, business community, governments and legislators. Delivery is crucial. To that end, efforts must be made to speed up the ratification and implementation of all the Doha outcomes achieved thus far. All WTO members should accelerate negotiation of the remaining items of the Doha Round, and the negotiation mechanisms should be made more open, fair and democratic.

#### Mr. A. Daffe (Parliament of the Economic Community of West African States)

What can we do as parliamentarians to ensure that women, who are the lynchpins of their national economies, have access to the technologies and credit they need to transform and add value to their products and access markets in the subregion and beyond?

#### Baroness G. Hooper (United Kingdom)



What measures, if any, measures are taken within the WTO to encourage women to participate in the development of trade and particularly in the development of small and medium-sized enterprises? I feel that gender perspective should be part of the substantive theme of the conference.

#### Mr. Y.I. Daoud (Egypt)

As a developing country and a net importer of foodstuffs, Egypt shares the concerns expressed regarding agriculture and the developing countries, and we look to the WTO to assist us. As parliamentarians, we recognize that micro, small and medium enterprises can contribute to the economy, and we are particularly interested in such issues as capacity-building and empowerment of women and young people.

#### Mr. O. Saifullah Khan (Pakistan)

Gender equality is essential if we are to achieve peace, defend rights and foster inclusive economic growth. As members of the Geneva Gender Champions initiative, the IPU and the WTO have signed a panel parity pledge, committing to ensuring male and female panellists in debates. However, all

the panellists in this debate are male. The IPU and the WTO should ensure that the gender parity pledge is respected at future conferences.

**Mr. B. Diame (Senegal)**



The WTO is more of a regulator than a negotiator and needs to take into account the difficulties facing the LDCs. Economic and sustainable development should be integrated. In the interests of greater effectiveness, it might be useful to establish regional committees where parliamentarians could monitor and follow up implementation of agreements. The outcome of such meetings could be reported to the annual session of the Parliamentary Conference on the WTO.

**Mr. H. Boumchita (Morocco)**

What can be done to ensure that the WTO is not marginalized given the increasing number of free trade agreements in existence?

**Mr. A. Thiam (Mali)**

Mali, which speaks on behalf of the least developed countries in Africa that produce and export cotton, welcomes the decision reached in Nairobi and is hopeful for the future. How can the WTO contribute to the effective implementation of the decision in terms of market access and export competition for cotton, and how can it facilitate the provision of funding for projects in the area of cotton under the development aspect of the decision? We call on all countries to demonstrate flexibility with a view to reaching a compromise at the next ministerial conference.

What are the implications of mega-regional agreements for those countries outside such agreements and for the WTO?

**Ms. I. Rodríguez-Piñero Fernández (European Parliament)**



We all agree the international trade plays a role in promoting growth and sustainable development and in reducing poverty, but it could also be a tool to strengthen human rights. The European Union has agreed on new regulations requesting European companies to refrain from trade in instruments and products that can be used for torture. The WTO could also be involved at the multilateral level in preventing trade in instruments used for torture.

I also concur with the views about bringing the gender perspective into our trade policies and agreements and into the Parliamentary Conference on the WTO, and I look forward to our forthcoming debate on the issue.

**Mr. C.M. Huber (Germany)**

Small and medium-sized enterprises play an important role in economic development, particularly in LDCs, and we need to recognize their capacity. Capacity-building on a scientific and professional level is essential for economic growth, as is the development of a more sophisticated approach with respect to the financial markets in the LDCs.

**Lord M. Sheikh (United Kingdom)**

I would like to see stricter rules and agreements to protect copyrights and patents, which are often breached.

### Mr. P.K. Varma (India)



I think that we need to start talking about trade in services, including with respect to market access and regulatory barriers in export markets, which are mainly in developed countries. India would be pleased to hear the views of panellists on how we can make more progress in facilitating trade in services, including movement of natural persons.

### Mr. S. Toqan (Jordan)



If trade is to be an engine of growth and development in countries, other policies, such as monetary, fiscal, labour and legal policies, have to be in place.

### Mr. C. Verde (Brazil)

My country has already ratified the Trade Facilitation Agreement and I think that the continued involvement of parliamentarians in trade issues is essential.

### Mr. Y.P. Hong (Republic of Korea)



While I believe that the multilateral trading system should remain the backbone of the global trading system because it is the first, best option for all WTO members, multilateralism and regionalism should advance in parallel in a mutual reinforcing manner. I support the efforts of all WTO members to find a path for the post-Nairobi context, and will strive to ensure that parliamentarians in my country pay due attention to such efforts. It would be very useful for parliamentarians to receive briefings on the development of trade negotiations and engage in interactive discussions on global trade issues. The organization of a trade workshop or course during parliamentary recess would also be beneficial. Lastly, I commend the efforts of other parliaments, in particular the European Parliament, in enhancing the transparency of trade negotiations.

### Mr. K.J. Somaiya (India)

The Doha Development Agenda has been discussed for the previous 15 years; discussion is not enough, the Agenda must be fully implemented. With regard to the status and future of WTO, there are a number of contradictions in the international trade arena that need to be addressed. For example, e-commerce will be feasible in developing and least developed countries with appropriate IT services. However, some developed countries, although in favour of e-commerce, are blocking IT services. Furthermore, developed countries, which are strongly opposed to public stockholding in developing and least developed countries, are giving subsidies to their own farmers.

### Mr. F.N. Taposh (Bangladesh)



With regard to gender perspective, I would like to inform you that our Prime Minister is a woman, as are the leader of the opposition and our Speaker. The Nairobi Ministerial Conference has given new impetus to the WTO; outcomes regarding operationalization of LDC services waiver and preferential rules of origin for LDCs are important achievements that should be fully implemented. Duty-free and quota-free market access is an issue of importance to Bangladesh and we would welcome the full and effective implementation of the Hong Kong decision on that issue adopted in 2005.

### Ms. S.M. Ali Khan (Pakistan)



Given the expected development of e-commerce, I would like to know how such aspects as free flow of cross-border data and specific areas of digital trade will be taken into consideration given the digital divide that exists between different members of the WTO. How will micro, small and medium enterprises be integrated in the field of e-commerce given that they will be in competition with very large

companies? Also, what areas of e-commerce will the WTO be considering in its future work?

### Mr. K.D. Apevon (Togo)



What warning systems and mechanisms is the WTO establishing to stem corruption, which is threatening our economies and is prevalent even among governments.

### Mr. R.M. Nauyoma (Namibia)



What is the WTO doing to assist smaller countries or small economies like Namibia to reposition themselves given the large number of free trade agreements being signed by many influential WTO players.

### Mr. D. Gamede (Rapporteur)

I would like to begin by pointing out that, for the last five years, the Government of South Africa has been implementing a policy advocating an equitable gender balance. I would also like to thank the IPU

and WTO for making this conference accessible for people with disabilities.

Just as the world is changing, the WTO and the IPU should change the way they do things. At this Conference, which is very important for parliamentarians, I think we should be spending more time in groups discussing issues, before raising the issues in plenary for recommendation and decision. There are a number of specific issues that need to be addressed with respect to Africa, such as agricultural products, raw materials and value addition and lack of appropriate infrastructure, including for e-commerce.

### Mr. A. Singh Thakur (Rapporteur)

Two of the key themes raised are gender perspective and agriculture. India is doing much to promote gender balance with over 70 per cent of the loans provided without a guarantee given to women. Over the previous 15 years, major issues in the area of agriculture have been achieved. However, there is no parity in the subsidies given by developed and developing countries, and we need to look very seriously into these areas. More engagement is required to enhance a shared understanding of the benefits of trade for all, and I agree that capacity-building and awareness-raising with regard to trade and development are critical. Trade must be inclusive and fair, and technical assistance will play an important role in that regard. The different levels of development and capacity of States must be taken into account.

India has ratified the Trade Facilitation Agreement and has opened 98.2 per cent of its tariff lines to the LDCs; it is one of the only developing countries to have done so. Trade and development are closely linked; trade must be used help people get out of poverty and should not exacerbate inequalities.

### Mr. P. Rübzig (Rapporteur)

We need to consider the added value of trade and the benefits that trade can offer our peoples. We

also need to ask what would be the cost of not having WTO as a multilateral forum to promote globalization in an open and transparent manner. Trade agreements at all different levels should be used to ensure a balance between consumption and production.

Small and medium-sized enterprises form the backbone of economies. In Europe they pay 80 per cent of taxation and generate 50 per cent of GDP. We need to look at the provision of loans to small and medium-sized enterprises, and also to the self-employed and women. I agree that we need to find a balance with respect to e-commerce and digital trade, and the European Parliament has launched an initiative to fight high roaming charges. Good governance structures are important. Large companies have the resources to fight their way through hostile environments and can take risks that smaller companies cannot. The Trade Facilitation Agreement is a very important tool and should be signed by all countries. The sooner it enters into force, the better.

### Mr. H. Scholz (Rapporteur)

It seems to me that we are all in favour of the multilateral trading system. WTO is a Member State-driven organization, and we, as the law makers, must ensure that our governments recognize that trade has to work for development. If we let corruption take place in our own States, it will poison international trade. In recent months, the European Parliament has been discussing how to make its own law making more transparent, and this also needs to happen in Member States.

Fair trade does not simply mean that a product is produced under agreed fair trade conditions, but also that the relationship between developed and developing countries is fair. Implementation of the Trade Facilitation Agreement will help to promote this outcome. I would encourage more discussion of fair trade, including at a future parliamentary conference.



# DIALOGUE WITH SENIOR WTO NEGOTIATORS AND OFFICIALS

WTO in the era of mega-regional trade agreements

## INTRODUCTORY REMARKS

### ***Ambassador Daniel Blockert***

*Permanent Representative of Sweden to the WTO,  
Chairman of the WTO Committee on Regional Trade Agreements*

I will therefore speak today in my personal capacity, rather than in my capacity as Chairman of the WTO Committee on Regional Trade Agreements (CRTA).

Regional trade agreements (RTAs) are an extremely interesting topic. The agreements are discussed by a variety of interested parties, such as academia, governments and international organizations, and yet not by the WTO.

The WTO Secretariat has done a good job in collecting information on RTAs, and offers assistance to developing countries with respect to notification. However, the discussions in the CRTA are quite bland. In my view, there are three reasons for this: first, some countries are reluctant for their RTAs to be discussed in the WTO; second, there is concern that the content of the RTAs will spill over into the WTO and undermine the multilateral negotiations; third, the opinion that RTAs are the second best option and should not be given credibility through discussion in the WTO.

Through Article 28 of the Nairobi Ministerial Declaration, the CRTA has been mandated to discuss the systemic implications of RTAs for the multilateral trading system, and to work towards the transformation of the current provisional transparency mechanism into a permanent mechanism. On a personal level, I think that it is extremely important to have a systemic discussion on of RTAs in the WTO. RTAs will increase in scope and number because they work: they increase trade and market access and serve to develop trade rules in a way that the currently WTO does not. Approximately 50 per cent of world trade is currently undertaken within the framework of RTAs. To pretend that they do not exist or are second-best solutions that undermine the multilateral trading system is an ostrich tactic that will serve to make the WTO increasingly irrelevant in the trade arena. RTAs will only undermine the multilateral trading system if we allow them to.

Lastly, I wish to draw your attention to a new initiative called the RTA Exchange, providing a repository of information on the RTAs in existence.

### ***Ambassador Marc Vanheukelen***

*Permanent Representative of the European Union to the WTO*

It is true that the European Union is an active player at the bilateral, plurilateral and multilateral levels and is involved in negotiation on some 14 free trade agreements. However, its engagement in bilateral and plurilateral agreements in no way undermines the European Union's conviction that multilateralism is the best



option and that the WTO is the only forum in which a number of important international trade issues, such as disciplines on subsidies, can be resolved.

The European Union is keen to continue working on the Doha Development Agenda to resolve the outstanding issues. However, the world economy has evolved over the previous 15 years. Bilateral or plurilateral negotiations offer a forum to tackle subjects that are, realistically speaking, very hard to address multilaterally, including regulatory cooperation, protection, trade and sustainable development, and trade and energy. The European Union's action at the bilateral level could serve as a basis for work at the multilateral level in the future.



Clearly, there is a danger that the bilateral and plurilateral route may undermine the multilateral path, and we should not let that happen. Most of the things we do bilaterally or plurilaterally have very little to do with tariffs. Bilateral and mega-regional agreements should be seen as complementary to the multilateral framework, not as rivals.

In a nutshell, the European Union views multilateral as the best option. However, because the multilateral system works slowly and there are a number of issues to be tackled as a result of the evolving world economy, it also engages at the bilateral and plurilateral levels. We hope that the frameworks can work together and do not stand in each other's way.

### **Ambassador Amr Ramadan** *Permanent Representative of Egypt to the WTO*

I agree that the multilateral system is the main vehicle for liberalizing trade and that mega-regional and regional trade agreements are complementary to that system. The Nairobi Ministerial Declaration reaffirms the need to ensure that RTAs remain complementary to, not a substitute for, the multilateral trading system.



Research by the WTO Secretariat shows that approximately 60 per cent of the RTAs notified since the year 2000 contain commitments in both goods and services and that over half contain rules on investment. The newer RTAs are broader and deeper in coverage than the older agreements. They are becoming increasingly comprehensive and many contain provisions on market opening and increasingly complex regimes of different trade regulations. All WTO members are parties to at least one RTA, with RTAs governing almost 40 per cent of trade in 2014 as compared with only 5 per cent in 1962. RTAs are gaining in significance because of the volume of trade taking place under them: mega-regional agreements, such as the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP) will, once concluded, regulate trade among countries from which over 40 per cent of world commerce originates. As of April 2016, the WTO Secretariat has received some 625 notifications of RTAs. The overall number of such agreements in force has been increasing steadily and this trend is likely to continue.

The world economy has changed dramatically since WTO's establishment in 1994. New economic powers, that have fundamentally different views on trade liberalization norms and priorities, have emerged as indispensable players. Furthermore, these new powers are evolving from rule takers to rule makers.

The mega-regional agreements do have some detrimental effects: they enshrine the role of Europe and the United States as standard setters; and they pose a threat to the multilateral trading system. As the Director-General has stated, the wider the gap between regional and multilateral disciplines, the worse the trade environment is for everyone, particularly small countries and all those not involved in major regional negotiations. They may also sap the energy of the multilateral negotiations in the WTO – the forum in which small and poorer countries have a voice. They also discriminate against those countries that are not part of the agreements. Furthermore, replacing multilateral activities with regional ones will disproportionately affect small trading nations for whom the WTO governance functions constitute a global public good that is not replaced by the network of preferential agreements.

Although RTAs are by nature discriminatory, discrimination against non-parties can be reduced if the agreements are open, and if third parties are allowed to accede. It is important to focus on the urgent needs of developing countries as an integral part of mega-regional negotiations, for example by using the TTIP to harmonize the unilateral trade preference schemes of the United States and the European Union, making the rules of origin for products imported from developing countries transparent, and extending mutual recognition of standards to products from developing countries. It would be helpful, as a confidence-building measure, if those engaged in mega-regional trade negotiations made serious efforts to minimize the negative impact on both the multilateral trading system and low-income countries.

Unless such steps are taken there is a danger that the future role of WTO will be confined to dispute settlement, and that this role may diminish over time as the mega-regional agreements introduce dispute settlement mechanisms for their members.

In global trade governance, there is a clear need for transparency and dialogue, and a multilateral forum, such as WTO. On the technical level, there is a concern about the increasingly diverse nature of the network of preferential agreements. On the political level, trade has become an economic policy priority for the majority of countries over the last three decades, partly as a result of WTO membership. All trading countries today expect to be involved in setting trade rules; this technical and political evolution could produce obstacles for lifting the multilateral baseline.

### **Ambassador Junichi Ihara** *Permanent Representative of Japan to the WTO*

In 2000, when I was the director of the WTO division in the Japanese foreign ministry, I was opposed to any RTAs. The landscape has since changed dramatically: Japan has agreed 16 RTAs, including the TPP and a quarter of Japan's trade is covered by RTAs. The Japanese Government is seeking to ensure that, by 2018, around 70 per cent of the country's trade is covered by RTAs.

When I was opposing RTAs in 2000, I clearly underestimated free trade agreements. I firmly believed in the supremacy of the multilateral trading system and thought that RTAs would not result in significant trade liberalization. However, I have been surprised by the fact that RTAs have not only resulted in market access but also in new rules, including on e-commerce and investment.



It is true that RTAs should be complementary to – not a substitute for – the multilateral trading system. However, I think the power balance between the multilateral trading system and RTAs is changing. We have to recognize the reality; WTO can enrich itself by learning from the experiences of RTAs concluded by many of its members.

New areas, such as e-commerce and investment, are of particular interest. World trade is global, and universal rules are required. If each country has slightly different trade and investment agreements with various countries, rules become fragmented. The best way to avoid fragmentation of trade-related rules is for WTO, which represents the multilateral trading system, to follow various free trade agreements, and agree on universal rules. If this is achieved, it will be possible to create a win-win situation between the multilateral trading system and RTAs.

**Ambassador Fernando De Mateo Y Venturini**  
*Permanent Representative of Mexico to the WTO*

I think that this is a very exciting subject. Global value chains, which have evolved, including through RTAs, are key. The producers involved need their goods to move as freely and cheaply as possible and intellectual property rights have to be respected.



The question of whether RTAs distort or create trade has been discussed for several years. Only 17% of world trade is preferential and generally, when services and investment are liberalized through free trade agreements, most-favoured-nation treatment applies. Mega-regional agreements contain a new series of elements that go far beyond those in traditional RTAs, notably the digital economy and e-commerce. They also contain more complex elements, such a regulatory measures. If WTO and countries not parties to such agreements are to benefit from such developments, we need to find a way for the various elements being negotiated in the regional agreements to be discussed and negotiated in the WTO.



## EXCERPTS FROM THE DEBATE

### Mr. O. Jonasson (Parliamentary Assembly of the Council of Europe)



We must not forget that what trade negotiators perceive as trade barriers, other people consider as important standards for labour rights, the environment, public services, and trade union rights. Democratic concerns and the idea of good governance in trade negotiations are issues that are being raised increasingly in the Council of Europe.

### Mr. T. Medni (Tunisia)



While we give developed countries the opportunity to serve their own interests by signing RTAs and mega-regional agreements, we must find solutions that will protect those countries that are not in a competitive position. We need to identify mechanisms outside the multilateral framework to ensure that large and small countries are given the same opportunities and that developing countries and LDCs are not refused access to global markets simply because they are unable to

meet conditions provided for in regional agreements.

### Mr. K.J. Somaiya (India)

Regional trade agreements are a reality. The challenge lies in how we continue to make progress at the multilateral level and ensure that the multilateral and regional trading systems are complementary. All RTAs need to be implemented in a holistic manner and should not be used as a pressure tactic by a particular country or group; inclusivity and the development dimension must be respected.

India once again emphasizes the importance of implementing the Doha Round. Although India remains open to discussing issues, it is simply not possible to change the entire architecture and jeopardize the interests of a number of developing countries. The mega-regional agreements are bound to challenge India's industry in many ways, including through erosion of existing preferences and establishment of a more stringent framework of rules. While the Government will have to create an enabling environment to help Indian industry to face these challenges, it is important for developed countries to understand our concerns.

### Mr. W.R. Barrientos Vicuna (Bolivarian Republic of Venezuela)



We welcome the opportunity to learn more about free trade as a tool to foster social development and improve the lives of our peoples. Agreements reached should be implemented faithfully and monitored by governments. The closure of Venezuela's border for the previous 10 months is

hindering the implementation of multilateral and bilateral free trade agreements.

#### **Ms. A.R. Farooq (Pakistan)**

How do you address the concerns of many least developed and developing members that feel that the regional agreements will marginalize WTO as a vital institution for regulating global trade? In light of the two most recent and successful WTO ministerial conferences should we not keep faith in the multilateral trading system?

#### **Mr. F.N. Taposh (Bangladesh)**

As indicated in WTO rules, RTAs should not create barriers or reduce opportunities for non-members. However, the TPP will have a negative impact on the economic emancipation of Bangladesh, and consideration should be given on how to mitigate such negative effects or remedy the grievances of non-members.

#### **Mr. D. Ouma Ochieng' (Kenya)**



Some of the RTAs in East Africa pre-date the WTO and are working well. They provide the best mechanism for promoting regional trade and capacity-building, particularly for remote regions that are not well connected to markets.

We need to use the benefits of RTAs to make global trade work. WTO should therefore endeavour to ensure that the rules of RTAs, particularly in developing countries, comply with WTO rules and help integrate those countries into the international trading system.

#### **Ambassador De Mateo y Venturini**



WTO is by no means dead. Negotiations on the trade in services agreement (TiSA), which is based on the WTO's General Agreement on Trade in Services, are ongoing. The East Africa Community is one of the most successful RTAs in the world. Negotiation in the WTO is the only way to prevent countries from being left behind.

#### **Ambassador Ihara**

Every international agreement concluded should be subject to democratic scrutiny in each country. A distinction must be made between interests that we really have to protect from further liberalization and vested interests, which are often those protected because of so-called 'democratic concerns'.

Greater attention should be paid to those left behind or marginalized by free trade agreements, as consequences for economic development could be significant, particularly in such areas as the digital economy, which is a very powerful tool for future trade development. We have to recognize the important elements of free trade agreements and integrate them into multilateral agreements so that other developing members can benefit.

#### **Ambassador Ramadan**

There appears to be consensus that RTAs supplement the multilateral trading system. The way such agreements are negotiated and implemented is key to minimizing impact on those nations outside the agreements. For example, negotiations could be open to all countries and

commitments implemented on a most favoured nation basis

### Ambassador Vanheukelen



The issue of democratic concern is a very sensitive one. What some parties may consider a barrier, others may view as a legitimate way to protect their consumers. While countries want to ensure that their citizens are protected, we need to work towards regulatory alignment avoiding unnecessary duplication and red tape. In order to remain relevant, the WTO must deliver results that matter for the world economy and public opinion. Efforts must be made to ensure that the Eleventh Ministerial Conference, like the Bali and Nairobi Ministerial Conferences, delivers tangible results. Trade policy is only one instrument necessary for development, others include infrastructure, education and good governance. If a country does not have a large internal market, sustained growth will be possible only through participation in the global value chain.

### Ambassador Blockert

I am actually quite encouraged by what I have heard because almost all speakers have pointed towards the need for transparency. While there are certainly challenges associated with the RTAs and the mega-regional agreements, there are also a number of opportunities. The only way to ensure that those agreements do not undermine the multilateral system and do not discriminate against developing countries is to have an open discussion on their content, and to put content before political anxieties.

I think that the WTO is the forum for such a discussion. If it transpires that the provisions in

RTAs are very different from those in the WTO rules, we will need to ask why. We will also need to learn from the experience of those countries that have been negotiating RTAs for decades. Such agreements, including the TPP, may contain elements of interest applicable for other countries. If the WTO is unable to have a discussion that looks beyond who negotiated an agreement and at what it contains, it may well be undermined in the future.

If there is one message I would like you, as parliamentarians, to convey to your capitals, it is to ensure that your governments engage in a transparent discussion on RTAs in the WTO. Transparency is essential to ensure that the provisions of RTAs are not discriminatory and are well understood.

### Mr. M. Edjang Angue (Equatorial Guinea)



We agree that WTO is not dead. However, it is sick and its health may deteriorate if no action is taken. Mega-regional agreements, which are signed between countries that dominate over 50 per cent of world trade, may undermine multilateral agreements. Their entry into force could be made conditional on an absence of objection from the WTO, which would help to foster transparency regarding these agreements.

Although trade is a vehicle for development, I have heard no discussion about the Nairobi commitments to support underdeveloped countries. We all need to implement our commitments and promote inclusion of those countries in international cooperation. I also wholeheartedly support the need for measures against corruption at all levels.

### Ms. C. Kafantari (Greece)



Negotiations on the TPP, the TTIP and other agreements are not transparent. These agreements are aimed not only at reducing trade barriers between the European Union and third countries, but also at eliminating so-called 'regulatory barriers', namely rules and regulations governing such fields as food security, the environment and labour rights. In essence, this is a sweeping the deregulation of labour, social and environmental protection standards. Democracies and the rights of peoples will be the losers from these free trade agreements; investors and private profit the winners. There are a number of movements in Europe that have clearly expressed their objection to such agreements.

### Ms. N. Ali Assegaf (Indonesia)

I want to remind you that at the Bali Ministerial Conference in 2013, we had an in-depth discussion of the benefits of free trade agreements compared to multilateral agreements. We agreed that multilateralism was the highest goal to which countries should aspire, the best means of combating protectionism and the most powerful engine for development. Today, Indonesia still believes that multilateralism is the best form of trade negotiation, engaging a wider range of stakeholders and minimizing possible trade diversion. However, more time is required to reach consensus on multilateral trade negotiations given the involvement of a large number of parties with different national interests. We need to work out how to mitigate the real challenges that free trade agreements pose to multilateralism while harnessing the opportunities provided by these agreements to foster trade and economic growth. If all countries are to reap the benefits of

international trade, it is vital to continue to support and strengthen the multilateral trading system, maintaining the central role of WTO in upholding global governance in international trade. In this respect, parliament could exercise its oversight function to enhance transparency with respect to RTAs and ensure that the rules under RTAs are in conformity with the multilateral trading system. We also agree that free trade agreements should be building blocks for the multilateral trading system.

### Mr. N. Ake (Benin)



I hope that, in future sessions, representatives from LDCs will be represented on such panels to offer their opinions. Particular attention needs to be given to the LDCs, and the erosion of preferences for LDCs is a concern that has to be addressed.

### Ambassador Ramadan

The representative of Greece raised a number of issues that we discuss in the WTO. A key issue is what the agreements entail and how they are implemented.

### Ambassador Blockert

I agree with everything that the representative of Indonesia said and I also agree that the panel here before you is not representative of all the countries in the WTO. I do not like to view the WTO as sick, but as a first-born child learning how to live together with new siblings.

### Ambassador Vanheukelen

The openness of mega-regional agreements is an important issue. Negotiations should be open to

other countries provided that the countries share the same degree of ambition. An issue of vital importance for the WTO for which there is no simple solution is the link between trade and development. The question of whether or not trade liberalization is conducive to development remains a moot point. Translating special and differential treatment in operational terms is a central question, but a very difficult one in practice.

#### Ambassador De Mateo y Venturini

Regional trade agreements that comply with Article XXIV of the GATT 1994 and Article 5 of the General Agreement of Trade in Services go to the

Committee on Regional Trade Agreements for consideration. We need to do more for the LDCs and to promote transparency. I agree with the representative of Indonesia; you have to combine multilateralism, regionalism, bilateralism and individualism.

#### Ambassador Ihara

I wish to emphasize that we always need more input from capitals, particularly from parliamentarians and legislators because you approve or disapprove what we have negotiated. It is important for you to pay more attention to what is happening in Geneva and to give us instructions through your governments.



# BRIEFING SESSION

## ENACTING THE TRADE FACILITATION AGREEMENT

### *Ms. Nora Neufeld (WTO Secretariat)*

Parliamentarian engagement really is key for the Trade Facilitation Agreement, which was concluded at the ninth WTO Ministerial Conference in Bali in 2013 after a decade-long negotiating exercise. An amendment protocol, namely a legal tool for integrating the Trade Facilitation Agreement into the existing regulatory framework, also had to be adopted before the domestic ratification process could commence.

There are different steps associated with the Agreement, namely ratification, notification of acceptance to the WTO and entry into force. Ratification poses special challenges for us, because the responsibility lies with capitals and all the WTO Secretariat can do is to encourage, guide, and assist upon request. Ratification by two thirds of WTO's 162 members is required for the Trade Facilitation Agreement to enter into force. The Secretariat can provide more assistance with respect to notification and has prepared template and additional background information for interested States. The original acceptance instrument is to be deposited with the WTO. Many countries use that as an opportunity to meet with the Director-General.



Currently 81 members have ratified the Agreement, and this figure equates to 75 per cent of the instruments required for entry into force. Developing and least developed countries, which make up the majority of WTO's members have the opportunity to indicate an implementation schedule, designating different provisions of the Agreement into one of three categories (Category A, B and C) for implementation over different time frames; possibilities for technical assistance also exist. Thus far, 87 category A notifications (provisions for immediate implementation when the Agreement enters into force) have been received; this is a very encouraging number because it gets us close to the overall number of category A notifications we expect.

The benefits expected from the Agreement include accelerated processes; an anticipated potential saving of almost 15 per cent per trade transaction; common and more sustainable reforms; and a more predictable, transparent and non-discriminatory trading environment, which is very important for governments, traders and consumers. Parliamentarian involvement is crucial for the entry into force of the Agreement. The WTO has a number of tools to provide assistance and guidance, including a comprehensive section on trade facilitation on its general website and a dedicated Trade Facilitation Agreement facility website. Staff members are also pleased to respond personally to questions.

## QUESTION-AND-ANSWER EXCHANGE

### *Mr. C. Shahbaz Babar (Pakistan)*

Pakistan was one of the first countries in South Asia to ratify the Trade Facilitation Agreement, which we hope will benefit the \$48 billion China-Pakistan

economic corridor established to promote connectivity between China and southern and central Asia. Pakistan will monitor the implementation of the Agreement, including through the national committee on trade facilitation.

### Mr. S. Kamunye Gichigi (Kenya)

Figures show that inter-African trade is more beneficial for African countries than trade with Europe or the United States. Funding for trade facilitation is an issue. How much are developed countries willing to help developing countries in the area of trade facilitation? As some of the areas to be addressed by trade facilitation are those that certain countries want to block, what mechanism exists for ensuring that countries signing up to the Agreement will be able to implement and enforce the rules?

### Mr. M.A. Abdoel (Suriname)

Since joining the WTO in 1995, Suriname has not seen any positive results for small economies. Do small economies matter for WTO? What assistance does WTO provide for the development of such economies? How is the Trade Facilitation Agreement expected to benefit small economies?

### Mr. M. Chungong (Secretary General of the IPU)

A very strong case has been made for entry into force of the Trade Facilitation Agreement and the engagement and involvement of parliamentarians are key. Any additional information on the status of ratification or notification will make it easier to follow up individually with parliaments whose countries are lagging behind.

### Ms. N. Neufeld (WTO Secretariat)

Funding was recognized as a fundamental issue, even before the negotiations began, since efficient implementation of the agreement will not be possible without support. The negotiating mandate indicates that the extent and timing of entering into commitments shall be related to the implementation capacities of each developing and least developed country. During the negotiations, considerable resources have been provided for trade facilitation reform. WTO, which is only one element of the puzzle, has its own tools such as the dedicated Trade Facilitation Agreement facility to ensure that no country falls through the cracks in the implementation process, and can also provide financial resources for assistance. The dispute settlement mechanism gives WTO a competitive edge and is one of the tools to ensure that the Agreement can be enforced and that its adoption is not blocked. The needs of small economies matter very much. Our research on trade facilitation shows that not only are two thirds of the overall benefits expected to go to developing and least developed countries, but that micro, small and medium-sized enterprises are expected to derive particular benefits. Efforts have been made to include language enabling small economies to retain and work in regional structures and develop a mechanism to facilitate their participation in global value chains



# PANEL DISCUSSION

## TRADE AS A VEHICLE OF SOCIAL PROGRESS: THE GENDER PERSPECTIVE

### INTRODUCTORY REMARKS

***Ms. Inmaculada Rodríguez-Piñero Fernández, Moderator,  
Member of the European Parliament***

I feel very proud to be hosting this panel because we are discussing the gender perspective for the first time in the history of the Parliamentary Conference. I hope that each year, we will be continue to discuss how trade can promote gender equality and the empowerment of women.



Twenty years after the Beijing Declaration and Platform for Action, profound inequalities continue to exist between men and women. Women make up over 70 per cent of the poorest people in the world and own only 1 per cent of land even though they comprise 43 per cent of the agricultural labour force. Only 47 per cent of women globally are employed as opposed to 72 per cent of men, and they earn on average 30 to 40 per cent less than men; women also generally perform unremunerated household tasks and are active in the informal economy.

Empowerment of women and gender equality will not only lead to social justice and the promotion of human rights, but will also enhance economic efficiency since countries with gender equality are more prosperous and competitive.

International trade should promote inclusive economic growth, poverty reduction and sustainable development. It is high time for WTO to revise its misguided view that trade policy is gender neutral and recognize that trade and investment policy and free trade agreements affect men and women differently. The absence of data establishing a causal link between trade policies and agreements and their impact on gender inequality is regrettable, and further efforts must be made to undertake studies and provide gender-disaggregated data.

The WTO Secretariat should seek to achieve gender parity and promote the participation of gender experts at all levels of trade negotiations and in the design, implementation and evaluation of trade policies. All actors involved in international trade have to play their part in tackling gender inequality, particularly if Sustainable Development Goal 5 on achieving gender quality and empowering all women and girls is to be achieved.

***Ms. Nurhayati Ali Assegaf, Panellist, MP (Indonesia)***

I am a firm believer that women can be agents of social progress. However, there has to be social inclusion if women are to harness their full potential. Because of inherent inequalities, including with respect to access and control of economic resources and gender divisions, trade affects men and women differently.

Women's economic participation tends to be hampered by gender-specific challenges, such as social convention, the legal and institutional framework, and restricted access to finance. Increasing the participation

of women in the labour market and improving women's access to assets will generate productivity gains and boost economic growth.

A number of steps are being taken in Indonesia to promote women's economic empowerment, including the provision of soft loans for micro, small and medium enterprises, the development of a women's business network and a women's cooperative. Efforts at the regional level include the implementation of the ASEAN Economic Community and the development of regional networks.



Because globalization and trade liberalization are often wrongly assumed to be gender neutral, gender considerations are not sufficiently taken into account in agenda setting, rule making and enforcement of trade. In order to ensure a gender responsive trade policy we need to ensure that trade is supportive of the interests of women. Advocacy, at the national and international level, is essential to promote gender-disaggregated data and research.

It is vital that gender aspects are placed at the centre of the WTO's work and taken into account in WTO's technical assistance projects and Aid for Trade programmes. Furthermore, gender-differentiated impact must be discussed at all phases in the development and negotiation of trade policy and agreements. Negotiations must also address the challenges of integrating micro, small and medium enterprises led by women into global value chains.

Support from society is vital. We, as parliamentarians, must play our part in ensuring that women derive an equal share of the benefits from economic growth and trade liberalization, and must exercise our oversight function with regard to the work of the WTO.

### ***Senator M. A. Khan Swati (Pakistan), Panellist***

Women are the backbone of our economies and societies and should be given more than their fair share in the social, political and economic arenas to make up for the injustices of the past. WTO should, through its trade policy review mechanism, ensure that its members make changes to mitigate social inequality.



Pakistan, which elected its first woman prime minister over 25 years ago, is making active efforts in that regard. Some 19 of the 104 members of the Senate are women and a constitutional amendment allowing at least three women judges in the Supreme Court is under consideration.

The growth in exports to the European Union under the Generalized Scheme of Preferences (GSP) has contributed to the economic empowerment of women working in the textile sector. However more remains to be done to implement fully the GSP.

**Ms. Arancha González, Panellist,**  
*Executive Director, International Trade Centre*

I am very pleased to see that trade and gender are being discussed together. If trade is to be a vehicle for social progress, it has to be sustainable. It also has to be inclusive, which means that it must focus on small and medium-sized enterprises. Women in business should be a priority because discrimination against women in business results in an economic loss of US \$28 trillion; companies with more women in management positions are more productive and competitive; and more of women's earnings go back to the family and community.



While trade policies may not be designed to be discriminatory, they can result in discrimination against women. Our research on non-tariff barriers has shown that women in business are more likely to encounter procedural obstacles than men. Furthermore, women in business supply only an estimated 1 per cent of government procured goods, and women encounter greater difficulties in accessing credit.

As to policies beyond trade, parliaments have the power to change the legal discrimination that exists in a number of economies including with respect to gender-based restrictions, the right to work and ownership rights.

Efforts have to be made to build the capacity of women to trade, including in helping women to identify trade opportunities, improve trade competitiveness and access finance. The International Trade Centre has launched an initiative called “Shetrades”, which aims to connect one million women entrepreneurs to markets by 2020.

**Ms. Noraini Ahmad, Panellist,**  
*MP (Malaysia), Commonwealth Parliamentary Association*

Gender is a key factor in the complex relationship between trade, growth and development. It is estimated that around 37 per cent of SMEs in developing countries are owned by women and the financial power of women is expanding at its fastest ever rate. If trade liberalization is to promote women's rights and gender equality, the economic contribution of women in both paid and unpaid work must be recognized.



An analysis of the gender impact of trade agreements underscores the critical links between trade, production and reproduction.

Underlying gender inequalities may have an impact on the outcomes of trade policies by limiting productivity, output and growth. Trade-related capacity-building initiatives including gender mainstreaming policies and measures to promote women's entrepreneurship and support networking, training and market access, are being developed in a number of forums.

Malaysia is committed to promoting and protecting the rights of women, who play a vital role in the overall development of the country. It is actively seeking to foster gender equality and increase the participation of women in the social, economic and political spheres. Measures being taken include capacity-building programmes, such as a skills acquisition programme for single mothers, and revisions to existing national policies.

The gender perspective should be systematically integrated into the trade policies of national governments and capacity-building programmes of international financial institutions, donors and intergovernmental organizations. Existing mechanisms, such as the Convention on the Elimination of all forms of Discrimination against Women (CEDAW), WTO's Trade Policy Review Mechanism and sustainability impact assessment should be used to monitor the gender aspect of trade policies and agreements and to hold governments accountable for their commitment to gender equality and women's empowerment. The full participation of women and gender experts in trade policymaking and negotiation should be promoted at all levels. There is a need to build on the momentum created by the global mobilization against poverty, and multifaceted strategies should be developed to address the many dimensions of gender and trade issues in different arenas.



## EXCERPTS FROM THE DEBATE

### Mr. T. Medni (Tunisia)

The gender perspective must be reflected in multilateral trade agreements, particularly as the issue of women often falls by the wayside where wealth creation under trade agreements is concerned. Women play an important role in Tunisia and the 2014 Constitution ensures full equality for women.

### Mr. B. Diame (Senegal)

Women's involvement is undoubtedly beneficial for the economy and we must include the gender perspective in legislation in our countries. Senegal has enacted a gender parity law, and 64 of the 150 members of the National Assembly are women.

### Mr. R.M. Nauyoma (Namibia)

Namibia takes gender equality very seriously and is very close to achieving gender parity in all bodies and processes. Specific political and structural support is needed. What specific practical interventions exist to

help women achieve parity with their male counterparts?

### Ms. M. Otucho Emaase (Kenya)



Women in Africa face particular challenges because of the patriarchal society and the fact that wealth, property and land often belong to men. Women

entrepreneurs are often unable to grow their businesses because they are unable to access credit. While I appreciate the "Shetrades" initiative launched by the International Trade Centre, what WTO can do to support women's empowerment initiatives?

#### Mr. S. Varatharaju Naidu (Malaysia)



Malaysia recognizes the contribution of women and is committed to enabling women to participate effectively in economic and social development. The government is implementing a number of initiatives to promote the empowerment and advancement of women at all levels of society, including by adopting a policy to ensure that at least 30 per cent of decision-making posts at all levels are occupied by women and ensuring that women are appointed to senior public positions.

#### Ms. E. Mendoza Fernandez (Plurinational State of Bolivia)



Bolivia has made considerable progress in the area of gender parity: women and young people now account for 51 per cent of the National Congress, and legislation concerning violence against women and land ownership rights for women has been passed. The multilateral trading system should be balanced, fair, and focused on the needs and realities of developing countries, in particular small and vulnerable

economies. Women should be given equal opportunities, receive equal pay for equal work, and be granted access to credit.

#### Mr. V. Ortega (Philippines)



Women and micro, small and medium enterprises are inseparable issues. If the full potential of women as economic actors in the global economy is to be realized, efforts have to be made to promote access to education, training, capacity-building, labour markets, quality employment and business opportunities. Making women and micro, small and medium enterprises a focus of policy discussions will facilitate the achievement of Sustainable Development Goals 5, 8 and 10 on gender, inclusive economic growth and reducing inequalities.

#### Ms. N. Ahmad (Panellist)



I agree that trade is a vehicle for social progress. The linkages between gender, public procurement and trade must be recognized. We need to increase capacity- building and technical assistance for women; give women access not only to local markets, but also to international trade opportunities; and encourage them to assume a leadership role. WTO members should commit to expanding trade and investment for women and develop social enterprises for export.

I hope that it will be possible to hold a gender equality panel at each session of the Parliamentary Conference.

**Ms. N. Ali Assegaf (Panellist)**



With your support, I am sure that we will be able to hold a panel on women each year, and participation of more women parliamentarians in the Parliamentary Conference will be welcome. If women are treated properly and able to play their full role, their contributions will benefit not only individual countries but also the world as a whole.

**Mr. M.A. Khan Swati (Panellist)**

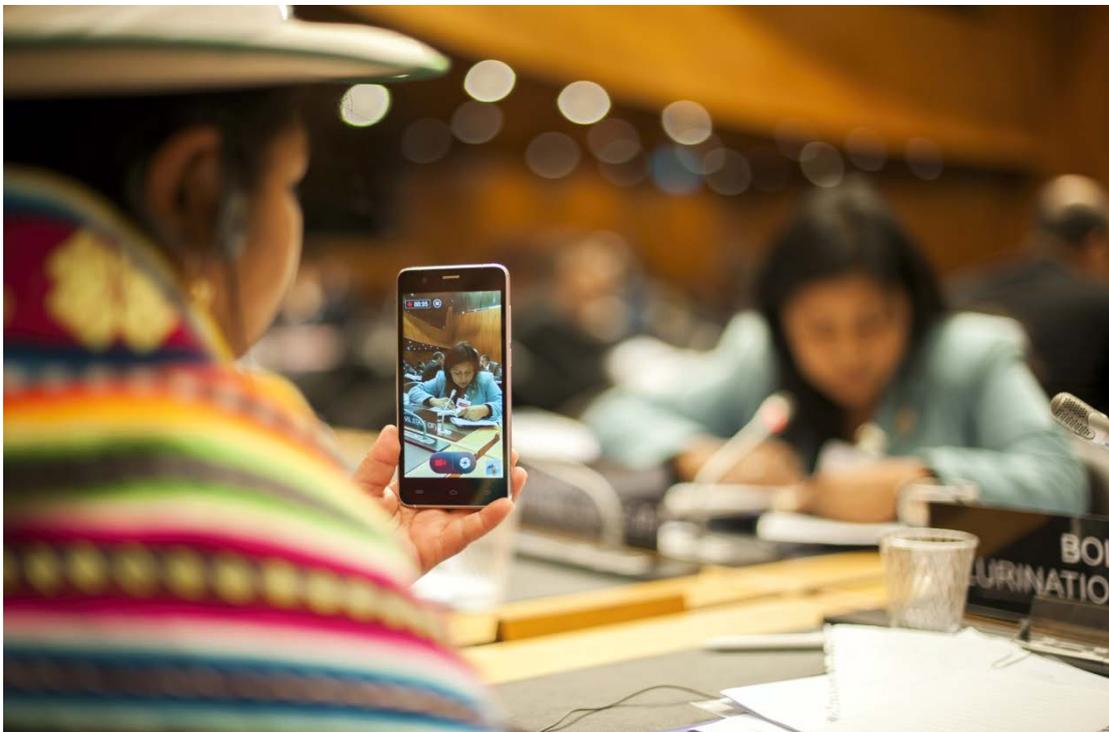
We need to recognize the important contribution that women make in our households, societies and economies. We must eliminate inequalities and give women their due rights, including in the area of trade, if we are to achieve economic development.

**Ms. A. González (Panellist)**

The message is very simple: while you have to make trade possible, you also have to make trade happen, including through the provision of a support agenda that involves elements such as access to credit for women in business.

**Ms. I. Rodríguez-Piñero Fernández (Moderator)**

I think that it is very clear that we need to improve women's participation and promote women's empowerment at the economic, political and social levels. I hope that there will be greater representation of women in delegations to future sessions of this Conference and that, next year, it will be possible to hold another panel on women's issues.



# BRIEFING SESSION

## THE RIDDLES OF THE WTO DISPUTE SETTLEMENT SYSTEM

*Ms. Valerie Hughes (WTO Secretariat)*

The WTO dispute settlement system is so successful for a number of reasons. It is used often and by a broad spectrum of members; it addresses a variety of major issues; it is rapid and efficient; and it works. There are five main steps to the dispute settlement procedure. Consultation is the first phase, where parties attempt to resolve the dispute, and cases often progress no further. If a case is not resolved, it goes before a three-person panel that hears written and oral submissions and produces a written report. If parties wish to appeal, the case is brought before the appellate body, which is



quite a unique aspect of an international adjudicative system. Some 70 per cent of cases are appealed. If the final report of the appellate body is adopted, the decision has to be implemented. Every month, members review implementation, and this surveillance function is unique to the WTO system, and ensures that some 90 per cent of decisions are implemented. Should a decision not be implemented, the final phase is retaliation to counter the adverse impact incurred as a result of the failure to implement.

Only WTO members can bring a dispute. Usually, one member brings a complaint, but there have been cases involving more than one complainant. There is usually one defendant. Third parties with a substantial interest in the case are entitled to contribute by presenting their arguments in oral and written form.

At the panel level, three judges are chosen to sit on the panel by the complainant and respondent on an ad hoc basis. An indicative list of experts is kept as a tool to facilitate the process. If no agreement is reached, the Director-General is asked to make the selection. The appellate body has seven members, all of whom must have expertise in law, who are appointed for a four-year term that can be renewed once. Three members will sit on appeal. They sit independently and have no affiliation with their national governments.

In 20 years, 507 disputes have been filed, which is significantly more than any other international adjudicative body, suggesting that members are confident that the dispute settlement mechanism is fair and reliable and can bring resolution. Participation is broad: 104 of WTO's 162 members with a variety of different economies having been involved in WTO dispute settlement.

The WTO dispute settlement mechanism, which discusses a very broad range of subjects, is growing each year because it is highly functioning and works. A normal case usually takes between 12 to 15 months, and cases at the appellate level around three months, which is much quicker than other international adjudicative bodies. One fifth of cases that could have been addressed under the dispute settlement mechanisms of regional trade agreements have come to the WTO dispute settlement system for resolution.

# CLOSING SESSION

## ADOPTION OF THE OUTCOME DOCUMENT

### *Mr. Bernd Lange, Rapporteur, Member of the European Parliament*

The revised draft outcome document takes into account amendments submitted by parliaments before 15 May 2016 and considered by the Steering Committee at its meeting on 13 June. The document recognizes the importance of the outcomes achieved at that the Tenth Ministerial Conference in Nairobi, and paragraphs 6 and 7 refer specifically to the importance of trade in services, particularly for LDCs, and call for rapid progress in services negotiations. Paragraph 9 addresses plurilateral, regional and bilateral trade agreements, and stresses that such agreements should not undermine the role of multilateral accords in international trade. Mention is also made of the need to link multilateral trade agreements with the implementation of the Sustainable Development Goals and to mainstream gender in macroeconomic policies, particularly trade. The document also highlights the importance of strengthening the capacity and ability of small and medium-sized enterprises to engage in international trade and of ensuring that parliamentarians have access to all the information required to contribute meaningfully to trade policies.

*The draft outcome document was adopted by consensus.*



# RULES OF PROCEDURE OF THE PARLIAMENTARY CONFERENCE ON THE WTO

*Adopted on 26 November 2004, amended on 12 September 2008*

The days when foreign policy, and more specifically trade policy was the exclusive domain of the executive branch are over. The WTO is rapidly becoming more than a trade organisation, having an ever growing impact on domestic policies and the daily life of citizens.

The Inter-Parliamentary Union and the European Parliament are therefore jointly organising a Parliamentary Conference on the WTO (hereinafter the Conference) that will meet at least once a year and on the occasion of WTO Ministerial Conferences. The Conference is an official parliamentary event that is open to the public.

## ARTICLE 1 - Objectives

1.1 The Conference is a forum for the exchange of opinions, information and experience, as well as for the promotion of common action on topics related to the role of parliaments and the organisation of parliamentary functions in the area of international trade issues.

1.2 The Conference seeks to promote free and fair trade that benefits people everywhere, enhances development and reduces poverty.

1.3 The Conference will provide a parliamentary dimension to the WTO by:

- (a) overseeing WTO activities and promoting their effectiveness and fairness – keeping in mind the original objectives of the WTO set in Marrakech;
- (b) promoting the transparency of WTO procedures and improving the dialogue between governments, parliaments and civil society; *and*
- (c) building capacity in parliaments in matters of international trade and exerting influence on the direction of discussions within the WTO.

## ARTICLE 2 - Composition

2.1 Participants in the Conference are

- delegations designated by parliaments of sovereign States that are members of the WTO;
- delegations designated by IPU Member Parliaments from countries that are not represented in the WTO; *and*
- delegations designated by the European Parliament, the Parliamentary Assembly of the Council of Europe, the Commonwealth Parliamentary Association and the Assemblée parlementaire de la Francophonie.

2.2 Observers to the Conference will be

- Representatives of international organisations and others who are concerned by issues of international trade and specifically invited by the Steering Committee on the basis of a list that has been approved jointly by the co-organisers; *and*
- representatives of governments of sovereign States that are members of the WTO.

2.3 The event will also be open to other persons with a specific interest in international trade questions. These persons may follow the work of the Conference without intervening in its proceedings and will have no speaking rights. They will be issued a security badge bearing their name only. They will not receive an official invitation or be accredited to the event.

### **ARTICLE 3 - Presidency**

3.1 The Conference is presided over jointly by the President of the Inter-Parliamentary Union and the President of the European Parliament, or their substitutes.

3.2 The Presidents shall open, suspend and close the sittings, direct the work of the Conference, see that the Rules are observed, call upon speakers, put questions for decision, make known the results of decisions and declare the Conference closed. The decisions of the Presidents on these matters shall be final and shall be accepted without debate.

3.3 The Presidents shall decide on all matters not covered by these Rules, if necessary after having taken the advice of the Steering Committee.

### **ARTICLE 4 - Steering Committee and Secretariat**

4.1 The Steering Committee is jointly established by the Inter-Parliamentary Union and the European Parliament and is composed of representatives of parliaments of sovereign States, of the IPU and the European Parliament as the Conference co-organizers, of selected other regional and international parliamentary assemblies and structures, and of the WTO Secretariat.

4.2 The Steering Committee is responsible for all matters relating to the organisation of the Conference and shall take decisions on the basis of consensus. All decisions taken by the Steering Committee shall, as appropriate, be circulated in writing and approved before the end of each meeting.

4.3 Membership in the Steering Committee shall be institutional, with every parliament or organization having the right to choose its representative(s). In the interest of consistency in the work of the Steering Committee, parliaments and organizations shall endeavour to ensure that, as far as possible, the person(s) who represented them in previous sessions of the Committee continue to take part in subsequent sessions.

4.4 When more than one representative of a national parliament takes part in a session of the Steering Committee, only one member of parliament per delegation shall be part of the decision-making process.

4.5 Changes in the composition of the Steering Committee shall be proposed jointly by the IPU and the European Parliament, as the Conference co-organizers, subject to approval by the Steering Committee as a whole. Where possible, equitable geographical distribution shall be taken into consideration.

4.6 National parliaments shall hold a seat on the Steering Committee for a period of four years. However, the Steering Committee may invite a given parliament to hold its seat on the Steering Committee for another term. The rotation shall be scheduled in such a way that no more than half of the parliaments representing a given geographical region shall be replaced at any one time.

4.7 The definition of geographical regions for the purpose of rotation shall be established by the Steering Committee.

4.8 The Conference and the Steering Committee are assisted in their activities by the secretariats of the Inter-Parliamentary Union and the European Parliament.

## ARTICLE 5 - Agenda

5.1 The Conference decides on its agenda on the basis of a proposal from the Steering Committee, which shall be communicated to the participants at least one month before the opening of each plenary session.

## ARTICLE 6 - Speaking rights and decisions

6.1 Participants and observers have the same speaking rights.

6.2 Priority to speak shall be given to participants wishing to make a procedural motion which shall have priority over the substantive questions.

6.3 The Conference shall take all decisions by consensus of the delegations of participants. Conference decisions shall be taken after due notice has been given by the President.

## ARTICLE 7 - Outcome of the Conference

7.1 The draft outcome document of the Conference shall be prepared by the Steering Committee with the assistance of one or more rapporteurs and communicated to the participants sufficiently in advance.

7.2 Amendments to the draft outcome document shall be presented by the delegations as defined in Article 2.1 or by rapporteurs in English or in French with the amended parts clearly marked. Amendments shall relate directly to the text which they seek to amend. They may only call for an addition, a deletion or an alteration with regard to the initial draft, without having the effect of changing its scope or nature. Amendments shall be submitted before the deadline set by the Steering Committee. The Steering Committee shall decide on the admissibility of amendments.

## ARTICLE 8 – Adoption and amendment to the Rules

8.1 The Conference shall adopt and amend the Rules.

8.2 Any proposal to amend the Rules of the Conference shall be formulated in writing and sent to the Secretariat of the Conference at least three months before the next meeting of the Conference. The Secretariat shall immediately communicate such proposals to the members of the Steering Committee as well as to the delegations of the Conference. It shall also communicate any proposal for sub-amendments at least one month before the next meeting of the Conference.

8.3 The Conference shall decide on any proposal to amend the Rules after hearing the opinion of the Steering Committee, including on their admissibility.



# PARTICIPATION

## PARTICIPANTS

### Parliamentary delegations

Afghanistan, Algeria, Austria, Bangladesh, Belgium, Benin, Bolivia (Plurinational State of), Botswana, Brazil, Bulgaria, Burkina Faso, Cameroon, China, Congo, Czech Republic, Democratic Republic of the Congo, Egypt, Equatorial Guinea, Germany, Greece, Guatemala, Guinea, India, Indonesia, Iran (Islamic Republic of), Jordan, Kenya, Malaysia, Mali, Mauritius, Mexico, Morocco, Namibia, Niger, Nigeria, Norway, Pakistan, Peru, Philippines, Poland, Portugal, Republic of Korea, Republic of Moldova, Romania, Russian Federation, Saudi Arabia, Senegal, South Africa, Suriname, Sweden, Thailand, Togo, Tunisia, Ukraine, United Kingdom, Venezuela (Bolivarian Republic of) and Zimbabwe

European Parliament, Commonwealth Parliamentary Association and Parliamentary Assembly of the Council of Europe.

## OBSERVERS

### Parliamentary Associations and Assemblies

Interparliamentary Assembly of member nations of the Commonwealth of Independent States (IPA CIS); Parliament of the Economic Community of West African States (ECOWAS); Parliamentary Union of the Organization of Islamic Cooperation Member States (PUIC)

### Government Representatives

Albania, Benin, Botswana, Bulgaria, Burkina Faso, Cambodia, Cameroon, Central African Republic, Croatia, Cyprus, Czech Republic, Dominican Republic, Ecuador, Egypt, El Salvador, European Union, France, Gabon, Ghana, Greece, Ireland, Italy, Japan, Kazakhstan, Kyrgyzstan, Malaysia, Mali, Mexico, Mongolia, Myanmar, Nicaragua, Nigeria, Norway, Oman, Pakistan, Philippines, Senegal, Singapore, Spain, Sri Lanka, Sweden, Switzerland, Thailand and Zimbabwe.

### Intergovernmental Organizations

Food and Agriculture Organization of the United Nations (FAO), United Nations, United Nations Conference on Trade and Development (UNCTAD), World Bank, World Trade Organization (WTO)

### Other Organization

International Trade Centre (ITC)



# COMPOSITION OF THE STEERING COMMITTEE

The Steering Committee of the Conference is currently composed of representatives of the following parliaments and international organizations:

Benin, Botswana, Brazil, Burkina Faso, Cameroon, China, Colombia, France, India, Indonesia, Japan, Jordan, Panama, Poland, Portugal, Republic of Korea, Russian Federation, Saudi Arabia, South Africa, Sweden, Uganda, United Kingdom, Commonwealth Parliamentary Association, European Parliament, Inter-Parliamentary Union, Parliamentary Assembly of the Council of Europe and World Trade Organization



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