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Speech by Director-General Roberto Azevêdo

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It is my pleasure to welcome you all to Geneva — and to the 28th Geneva Week.

This event is now in its 15th year and has proven itself to be one of the best ways for the WTO to assist those Members and Observers which do not have missions in Geneva.

Many of you were here last November, just before the frenzied run-up to the Bali Ministerial Conference.

I'm truly sorry that we did not get a chance for much interaction during that session. But at least all the hard work paid off.

As you know, the Bali Ministerial was a resounding success.

In this regard, I would like to thank you and your representatives, your respective Ministers, for your participation in Bali.

Your constructive engagement allowed us to achieve a very successful and inclusive outcome.

And because of that we were able to restore the credibility of the WTO as an organization that is capable of making multilateral decisions and delivering results.

Results achieved in Bali

In terms of concrete outcomes, Bali provided deliverables in three key areas: they were agriculture, trade facilitation and development.

It also set in motion a process whereby Members will decide by the end of this year on a clear road map for concluding the Doha Development Agenda. We have already made some progress on this effort — and I will speak more about that DDA Work Programme in a few moments.

But let's start by taking a look first at the Bali outcomes.

Let's start with Trade Facilitation.

By streamlining customs procedures this agreement could provide a major boost to the global economy — and, moreover, the majority of the benefits will accrue to developing countries.

The estimates may vary but economists think this could lead to an expansion in

developing country exports of up to 9.9%, that's almost 10% - and the creation of up to 18 million jobs in developing economies.

Moreover, the Trade Facilitation Agreement broke new ground for developing countries in the way that it will be implemented. So this is not only about the economics, this is also about the way that we are conducting business here and the way that we are setting up the S&D provisions. The Agreement put the power in the hands of the developing countries.

For the first time, the implementation of the agreement will be directly linked to the capacity of the country to do so. The level of capacity will be self-determined by the country concerned. And they will receive support to build that capacity by means of technical assistance, capacity building programmes, etc.

There has been a lot of debate about this agreement. Some feared that developed countries might try to "grab Trade Facilitation and run". That is the expression that was used at the time, "they will grab trade facilitation and they will run". I'm sure that will not be the case. And I have been very vocal in speaking with donors to make sure you get the support promised in the agreement in a timely and proper way.

Second, Bali also delivered on agriculture, specifically on food security, tariff rate quota administration and export competition.

These steps responded to demands made by various groups of developing countries. There was also a separate decision on cotton and the importance of this sector for least-developed countries.

The third area is development.

Members agreed to put in place a monitoring mechanism for special and differential treatment provisions. That mechanism is going to take a look at all the S&D provisions that are contained in WTO texts.

They also took three decisions which were specific to LDCs.

There was one to include Duty Free and Quota Free market access for LDC exports in our agenda

There was a decision calling for the easing of rules of origin requirements for goods coming from LDCs.

And finally there was a decision on the operationalization of a services waiver for LDCs.

So those were three important decisions taken in Bali.

But in order to implement the decisions that we reached there, and to ensure that the weaker and the poorer Members derive the maximum benefits from them, very specific follow-up work is required in each of these areas.

As you can see from the programme, this Geneva Week includes sessions on each of the Decisions reached in Bali. You will, therefore, have the opportunity to learn more about them and their implementation in detail going through the week.

Delivering on the commitments we all made in Bali will be a crucial test of the Organization — and this is a real priority.

Our other priority is developing the work programme on the Doha Development Agenda, that I mentioned before.

DDA Work Programme

The task, as instructed by Ministers in Bali, is to prepare, by December, a clearly defined work programme to conclude the DDA.

Negotiations on the Doha agenda have been running since 2001 — that's, in my opinion, far too long.

And there are some really important issues on the table at this point in time.

In my view, any engagement here will have to tackle the really tough areas upfront: and as you all know those include industrial goods, services, and — crucially for many developing countries — agriculture.

These three issues have not been seriously discussed in nearly 6 years. So now it is time to bring them back into play. We cannot avoid them anymore - we do have to look at them.

We have made progress there over the last few weeks, and I am convinced that if we make further progress and we find solutions on these issues then everything else will fall into place. On the other side, if we don't make progress here, then if there is progress anywhere else in our agenda that progress is going to be very, very limited.

And we can't simply go back to the positions and expectations that we had when we were negotiating in 2008.

At that time we could not agree on the texts proposed by the Negotiating Chairs, you all know that. And we can't expect to get good, full, productive and conclusive engagement by just putting those texts back on the table with no flexibility whatsoever and saying that we can't change a comma on these texts. It is just not going to happen, whether we like it or not

However, I'm not saying we throw the texts away, what I'm saying is let's use those texts. Let's use them to the extent that we can. Let's preserve everything that we can which is in those texts and you know that many of those things are preservable, some of

them are not. I think it is very important that we learn from them and that we build on the work that we did for so many years.

I am of course being very honest with you. I am saying this because I care about the Doha Development Agenda and I want it to be concluded successfully. I myself was personally involved in these negotiations since 2001, so if there is somebody who doesn't want to see all that work go to waste, I am one of them.

We can deliver, I'm sure, real gains here which will provide opportunities for development — and potentially improve the lives of many, many people. So we can't let this chance simply slip from our grasp once again — because this in my view may well be the last chance we get.

But I think there is a different mood now — things have changed since these issues were last discussed.

I have travelled to numerous countries around the world in recent months. I have met leaders and very high officials from countries like the US, the EU (not only the European Union itself but individual member countries as well), Kenya, Uganda, Uruguay, Argentina, Brazil, Oman and India - to name just a few.

And the message I'm hearing is very positive.

Because of Bali people are willing really to give us another chance.

They say, and I hear this quite frequently: "it looks like you guys are back in business!"

They see us really engaged, really trying to find a way forward. And I hope they believe me when I say that every WTO member, certainly all those that I talk to, is ready to be creative, is ready to be open-minded, and is working very hard to get outcomes in the short term.

We are all doing everything we can to move the process forward and draw up this work programme by the end of the year.

Once that is done, in my view again, our aim should be nothing less than to complete the round — and to do it quickly.

The macroeconomic picture

Let me turn very briefly now to the macro-economic picture — to take a look at the environment that we will be doing this work in, in the months ahead.

Just a few weeks ago, the WTO issued its statistics for 2013 and its trade forecast for the

year ahead.

Trade growth has been lethargic in recent years — and 2013 did not break that trend as growth actually slowed to 2.1%, that is a slight deceleration in real volume terms.

However, the prospects for 2014 and 2015 are more encouraging.

Of course these forecasts are based on assumptions of other factors, such as GDP growth. Let's bear in mind - and this is something that I told the press when I was talking to them - we are not trying to hit the numbers on the head, we are not trying to make sure we get the precise number of trade growth. If we do, it was by accident, it's not by meticulous or precise calculations. If the forecasts for GDP, which are not done by the WTO but by other organisations, materialise and those assumptions are sound, then we expect a broad-based but modest upturn in the volume of world trade in 2014, and further consolidation of that trend and of that growth in 2015.

For 2014, world trade should rise by 4.7%, that's our forecast. For 2015 — and this is much more uncertain because this is based on longer-term assumptions — we are forecasting growth of 5.3%.

This would finally bring it in line with the 20-year average. So if those forecasts prove accurate, we will finally be able to say that international trade is back on track.

An interesting aspect of all this is what has been happening to the LDCs.

In general, the economic performance of LDCs is more closely linked to the external environment than it is in larger, more diverse emerging markets.

And it is clear that they have keenly felt the impact of the global slowdown over the last two years.

Growth in the dollar value of LDC exports was 1% in 2012 and 5% in 2013.

This is well below their average since 2005 which is 13%, and that is down sharply from the 24% increase in 2011.

Conversely, the LDCs may benefit disproportionately from any improvement in the world economy going forward, since a large portion of their exports — nearly 20% — goes to the recovering European Union. So how the EU does over the next few months and years will be very important for LDC exports.

It's clear for us that trade is going to improve as the world economy also improves.

But WTO members are not powerless in the face of these figures.

We can actively support trade and support trade growth by avoiding protectionism in times of uncertainty and by reaching new trade agreements.

Conclusion

So I think it's fair to say that we have a pretty busy period ahead of us.

We have to redouble our efforts to implement the Bali Package — and to develop the DDA work programme so that we can deliver a real boost to trade by concluding the round once and for all.

And in addition to everything that is going on here in Geneva, we can't forget the conversations on the post-2015 development agenda that are going on right now in New York.

Later in the year, governments are expected to play a much larger role in this discussion. So you will need to start thinking about your priorities for future sustainable development goals and about the role of trade in achieving them.

I believe that trade has played a central role in lifting millions of people out of poverty in recent years.

What's at stake now is ensuring that trade can continue to do so in the future in the most effective way possible. So trade must be a part of this discussion.

I raised this point with Ban Ki Moon when I met him in New York in March. And I will continue to do everything I can to engage in this debate and ensure that the power of trade to support sustainable development is recognised.

In closing, I want to welcome you once again to Geneva. I know that you have a very comprehensive programme ahead of you. And I know that the secretariat has put a lot of effort into getting this week ready for you — so I hope you can make the most of it.

I wish you a very productive week here at the WTO.

Thank you.