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# 2018 ANNUAL SESSION OF THE PARLIAMENTARY CONFERENCE ON THE WTO

## ***WTO: The way forward***

Geneva, 6-7 December 2018

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*Organized jointly by the Inter-Parliamentary Union and the European Parliament  
(WTO Headquarters, Room CR1)*

### **OUTCOME DOCUMENT**

***Adopted on 7 December 2018***

1. The WTO has since its creation played a pivotal role in strengthening multilateralism, combating protectionism and unilateralism, establishing an inclusive world order and promoting an open, rules-based and non-discriminatory multilateral trading system. We remain convinced that the multilateral trading system, based on free and fair trade for the benefit of all, helps achieve sustainable economic growth and economic development, thus creating jobs and ensuring welfare. We need to make sure that globalization is for the benefit of all countries and citizens.

2. However, the rules-based multilateral trading system is facing its deepest crisis since the creation of the WTO, with its negotiating function almost stalled, trade tensions that may lead to trade wars and the appointment of new members of the Appellate Body being blocked. This threatens the basic functions of the Organization in setting essential rules and a structure for international trade and in delivering the most effective and developed dispute settlement mechanism of any multilateral organization.

3. We are concerned about the rise of nationalism, populism, and protectionism, which lead to unilateral actions. This tendency contradicts our collective efforts aimed at promoting inclusive economic growth and sustainable development. To disseminate multilateralism and promote international cooperation between nations, we, as parliamentarians, should educate people in our constituencies through forging international cooperation.

4. The crisis could deepen further in the coming months if more unilateral measures are threatened and imposed, and if the stalemate in the Appellate Body, which can only function in its current state until December 2019, remains. We therefore urge all Members to fully respect the rules of the WTO, while urgently seeking a solution for the dispute settlement body, for example through proposing transitional rules for outgoing members of the Appellate Body or maximum times allowed before the publication of a report, guaranteeing its independence while ensuring that rules remain within the rights and obligations of the Appellate Body. We call upon all Members of the WTO to urgently engage to address the impasse of the Dispute Settlement Body as this could fundamentally undermine the multilateral rule-based trading system.

5. We further believe that it is a matter of urgency to proceed with discussing the ways and means of improving the WTO in the light of the latest developments and to review several aspects of the functioning of the WTO with a view to increasing both its effectiveness, transparency, and authority through the upholding of its core values and fundamental principles, and legitimacy. These discussions should strive to find a way within the WTO umbrella to address the challenges facing the multilateral system. We welcome the recent G20 Leaders' Declaration that supports the necessary reform of the WTO in order to improve its functioning, recognizing the importance of the multilateral trading system.

6. Technological development provides for new opportunities for international trade and has the potential to substantially reduce the costs of transactions, but it will also fundamentally change the way we trade. We are still in the early phases of transformation where digitalization, robots, artificial intelligence, the Internet of Things and 3D printing will revolutionize how we produce, work, move and consume. While this transformation provides new opportunities, it also poses significant infrastructural, regulatory and other challenges, particularly for the developing countries and LDCs, which will not benefit from the opportunities due to the large digital divide. Thus, we need to make

sure that the multilateral trading system responds to this reality and avoids asymmetries and disruption for the developing countries and LDCs.

7. In addressing the gender gap in the digital economy, the international community should guarantee women better and equal access to ICTs and improve their capacity to harness information and technology so that they can reap the benefits.

8. The lack of adequate infrastructure, technical and scientific capacity, investment and financing, are the main challenges faced by developing countries and LDCs in reaping the economic benefits of world trade. It is of utmost importance to ensure that all the developing countries and LDCs are equipped with adequate capacity building and policy space to actively participate in world trade and to be integrated into the global value chains, in line with their human development objectives.

9. We fully believe that trade has an important role to play in contributing to the achievement of the Sustainable Development Goals (SDGs), as well as the implementation of the Paris Agreement, which is crucial in the fight against climate change. We remind WTO Members that the successful conclusion of the Doha Development Round is an SDG in itself. Beyond the negotiations on fisheries subsidies, the WTO must now define more concrete actions to achieve higher standards globally through coordinated efforts to address the basic issues of poverty, hunger and malnutrition in the developing countries and LDCs.

10. As expressed in SDG5, there are established links between gender equality and inclusive development. Women's empowerment is key to the eradication of poverty and removing barriers to women's participation in trade is critical for economic development. Noting that official statistics show the reliability of micro-credit providers, governments should be encouraged to create an enabling regulatory environment so that lenders make micro credit instruments more accessible to women and young people. We note the work of the WTO to mainstream the gender perspective into its policies and call upon the signatories to the 2017 Buenos Aires Declaration on Trade and Women's Economic Empowerment to deliver on their commitments. However, we also stress the importance of ensuring that trade liberalization and rules positively impact the position of women and girls.

11. We recognize that entrepreneurship is a pathway to decent work and sustainable enterprises for women and young people. Therefore, we have to promote financial inclusion to help women and young people transform their creative ideas into successful business plans by removing barriers to entrepreneurship.

12. We call on WTO Members to ensure democratic legitimacy and transparency by strengthening the parliamentary dimension of the WTO and establishing a formal working relationship with the Parliamentary Conference on the WTO. In this regard, we stress the need to ensure that parliamentarians have better access to deliberations and are involved in the shaping and implementation of WTO decisions, and that trade policies are properly scrutinized in the interests of their citizens, by monitoring the implementation of the decisions and commitments undertaken by the Members.