

Canadian Group  
Inter-Parliamentary Union



Groupe canadien  
Union interparlementaire

**Report of the Canadian Delegation concerning its  
participation at the Annual 2012 Session of the  
Parliamentary Conference on the WTO  
*Back to basics: Connecting politics and trade***

**Canadian Group of the Inter-Parliamentary Union (IPU)**

**Geneva, Switzerland  
November 15-16, 2012**

# Report

## 1. Background

The Parliamentary Conference on the WTO is a joint undertaking of the Inter-Parliamentary Union and the European Parliament. Its primary objective is to enhance the external transparency of the WTO and make it accountable to parliamentarians as elected representatives of the people. The sessions of the Parliamentary Conference on the WTO are held once a year.

## 2. Program

### Inaugural session

- Senator Donald H. Oliver (Canada), Member of the IPU Executive Committee
- Mr. Georgios Papastamkos, Vice-President of the European Parliament
- Ambassador Shahid Bashir (Pakistan), Chairperson of the WTO Dispute Settlement Body

### Substantive theme

***Trade as a tool of economic growth, job creation and poverty alleviation***

### Rapporteurs

- Mr. Panacheril C. Chacko, MP (India)
- Mr. Paul Rübig, Member of the European Parliament

### Discussant

- Ms. Marion Jansen, Counsellor, WTO Secretariat

**Policy dialogue** with members of the high-level panel designated by the WTO Director-General to define the future of trade:

### ***Analysing 21st century trade challenges***

### Moderator

- Mr. Jörg Leichtfried, Member of the European Parliament

### Panellists

- Mr. Pradeep Singh Mehta, Secretary General, CUTS International
- Ms. Sharan Burrow, Secretary-General of the International Trade Union Confederation

**Hearing with the WTO Director-General, Mr. Pascal Lamy**

## **Panel discussion**

### ***Trade in services: time for political decisions***

#### Panellists

- Ambassador Fernando De Mateo y Venturini, Permanent Representative of Mexico to the WTO, Chairperson of the Special Session of the Council for Trade in Services
- Ambassador Joakim Reiter, Permanent Representative of Sweden to the WTO, Chairperson of the WTO Council for Trade in Services
- Mr. Niccolò Rinaldi, Member of the European Parliament
- Mr. Pascal Kerneis, Managing Director, European Services Forum

## **Outcome document**

#### Rapporteur

- Mr. Benoît Ouattara, MP (Burkina Faso)  
(The document is appended)

### **3. The Canadian delegation**

The Hon. Donald H. Oliver, QC, Senator was presiding the Session. Mr. Joe Daniel, M.P. participated at the Session.

### **4. The Meeting**

The address by Senator Donald H. Oliver at the Inaugural Ceremony is appended as well as the Outcome Document.

Respectfully submitted,

The Honourable Salma Atallahjan, Senator  
President, Canadian Group of the IPU

# Appendix 1

## **ADDRESS BY SENATOR DONALD H. OLIVER, MEMBER OF THE IPU EXECUTIVE COMMITTEE, AT THE INAUGURAL CEREMONY**

*Geneva, 15 November 2012*

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 over 160 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.

For nearly a century now, our organization has been headquartered in Geneva. This city plays host to a multitude of other international organizations, starting with the United Nations. They serve noble purposes and do useful work. However, not all of them attract as much attention from the media, parliamentarians and civil society as the World Trade Organization. Why is that?

As we see it, the WTO is unlike most other international organizations. Vested with binding rule-making and adjudication powers, it is equipped with an effective dispute settlement mechanism that serves to resolve trade quarrels and enforce agreements. The WTO has a unique combination of powers and functions. Its rules extend beyond the traditional domain of tariffs and trade in goods and reach deep into domestic affairs. WTO rulings have direct economic consequences for entire nations, as well as the private sector.

It is for that reason that, ten years ago, IPU Members decided that the WTO required an effective mechanism of parliamentary oversight.

Trade between nations, they argued, is one of the cornerstones of the edifice of international peace and cooperation. In an increasingly interdependent world, they said, questions of international trade have become so important that they can no longer be left to governments and international bureaucracies alone.

At the time, the IPU and the European Parliament ventured to bring their synergies together in order to build a meaningful parliamentary dimension of the WTO. Our common undertaking is now known as the Parliamentary Conference on the WTO.

For the second year in a row, the annual session of the Conference is taking place at the Centre William Rappard, dubbed in Geneva as the "House of Trade". A bridge has thus been erected between the House of Parliaments – the name commonly used for IPU Headquarters - and the House of Trade.

The political symbolism of this link is hard to overlook. Following years of doubts and hesitation, the WTO has finally opened itself up to elected representatives of the people. External transparency of the WTO is a reality. This is a step in the right direction.

I avail myself of this opportunity to express our appreciation to the WTO General Council for its understanding of the political importance of this opening. I also address words of gratitude to the WTO Director-General, Pascal Lamy, who has always been supportive of this initiative. In his own words, "the entire WTO stands to benefit from the unique perspective that the world's parliamentarians are able to bring". Our sincere thanks also go to the colleagues at the WTO Secretariat for their assistance and exemplary cooperation.

The WTO has offered to host our session in spite of its own heavily packed schedule of meetings held at its Headquarters. On average they organize over 8,000 meetings per year. Just imagine that! What better proof is there of the incredible complexity of the Doha Round?

Unfortunately, the news reaching us from the WTO negotiation rooms is not very heartening. The talks have been stalled for a few years now. Nonetheless, the WTO Director-General has recently suggested that work in the Doha Development Agenda had seen "signs of momentum" and that the main players were demonstrating a "collective desire to re-engage". We certainly hope so.

Tomorrow, we will have an opportunity to ask Mr. Lamy about it first-hand. The Director-General will join us for a hearing, whose format will be not unlike those we regularly hold with Ministers in our own parliaments.

Let's make good use of this chance to ask questions and make comments. I suppose we should be interested first of all in the state of play in the Doha Round and in what they call "early deliverables" of the negotiations. At the same time, it would be interesting to hear Mr. Lamy's views, for example, on the challenges to multilateralism and on lessons to be learned from the enduring economic and financial crisis.

We should not hesitate to also pose these questions to Ambassadors representing our respective countries at the WTO. I see quite a few of them in this room. Let me thank them for being attentive to our Conference.

It is Ambassadors who chair various WTO councils, committees and working parties. They are therefore responsible for moving the process forward or – let's be frank – for making consensus a little harder to achieve. As a member-driven organization, the WTO is largely dependent on the work of the diplomatic corps in Geneva.

One of the Ambassadors, His Excellency Mr. Shahid Bashir of Pakistan, is seated at this table together with me. I take this opportunity to thank him for having accepted our invitation to address the Conference in his capacity as the current Chairman of the WTO Dispute Settlement Body. Two other Ambassadors, from Mexico and Sweden, will take part in our panel on trade in services tomorrow.

As organizers of the Parliamentary Conference on the WTO, we are convinced of the usefulness of this platform for direct dialogue between parliamentarians and government negotiators involved in WTO talks.

It is not by chance that no fewer than five parliamentarians, former members of the Steering Committee of the Parliamentary Conference on the WTO, subsequently received ministerial portfolios in their countries and were given the responsibility for WTO negotiations by the executive. On the other side of the same coin, the Rapporteur of our Conference, Mr. Benoît Ouattara of Burkina Faso, is himself a former minister of trade.

All of this gives me good reason to hope that our discussions will be interesting and productive. To enhance the impact of our debate by focusing on issues of particular importance for parliamentarians, the Conference Steering Committee has decided to give the session an overarching theme: "Back to basics: Connecting politics and trade".

Indeed, the situation with the Doha Round requires a political response. As parliamentarians, we are convinced that a balanced, ambitious, comprehensive and development-oriented outcome of the Round is still possible.

The main substantive theme of our session is equally political and focuses on trade as a tool of economic growth, job creation and poverty alleviation. For us, trade policies must reflect broader development objectives and be used as a driver of prosperity. While discussing this subject, let's not forget to look at our own role as legislators in the formulation of integrated and coherent national trade, industrial, labour market and social policies.

Debate on the main theme will start today and continue tomorrow. We will listen to the views of parliamentary delegates from both developed and developing countries. We will also benefit from the expertise of internationally renowned

experts. Some of them are part of the recently established high-level WTO Panel on Defining the Future of Trade. Their views are of great interest.

At the concluding sitting, we are expected to adopt an outcome document. Its initial draft was prepared by the Rapporteur, Mr. Ouattara, and placed on the IPU website. Parliaments had until 5 November to submit their amendments – and many of them did so. Tonight, the Steering Committee will conclude its consideration of all the amendments thus received and elaborate a revised draft, which will be made available to all delegates tomorrow morning. It is my hope that we will be able to adopt it by consensus.

The co-organizers have invested much time and energy in the preparation of the session. I wish to express my sincere thanks to the leadership and staff of the European Parliament - our partner in this exercise - for everything they have done to facilitate the process. We hope that the session will be crowned with success and look forward to a rich and constructive debate, in the true parliamentary tradition.

With these words, let me officially declare the annual 2012 Session of the Parliamentary Conference on the WTO open.

I now pass the floor to the Vice-President of the European Parliament, Mr. Georgios Papastamkos.

## Appendix 2

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ANNUAL 2012 SESSION OF THE  
PARLIAMENTARY CONFERENCE ON THE WTO  
***Back to basics: Connecting politics and trade***

Geneva, 15-16 November 2012

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

### OUTCOME DOCUMENT

***Adopted by consensus\* on 16 November 2012***

1. We are firmly convinced of the enduring value of multilateralism. We reaffirm our commitment to a universal, rules-based, open, non-discriminatory and fair multilateral trading system that can effectively contribute to economic growth, sustainable development and employment generation. We remain deeply concerned at the lack of progress in the Doha Round of trade negotiations and insist on the need for a political response to the situation. We believe that a balanced, ambitious, comprehensive and development-oriented outcome of the Round is a goal that should be actively pursued for the benefit of all parties and emphasize the importance of achieving early outcomes in areas where progress can be made, especially with regard to development-related issues.

2. Since the first session of the Parliamentary Conference on the WTO nearly a decade ago, the international trade landscape has undergone considerable changes and become more complex, multi-polarized and regionalized. The vector of transformation points to increased fragmentation of production in the global supply chain, with a marked shift along the South-South axis. The existing multilateral trade architecture, with the WTO at its core, continues to play a crucial role, acting as a stabilizer of the global economy. The importance of a rules-based trading system as a contributor to economic growth was affirmed during the global financial and economic crisis, when protectionism was relatively contained and strict adherence to WTO rules and commitments was an important goal. Nevertheless, given the uncertain economic outlook, we remain concerned about the growing tendency towards protectionist measures.

3. While the crisis has dominated policymakers' attention as an imposing political challenge, economic thinking has swung, demonstrating the need for greater market



regulation as well as more proactive intervention by State actors. Recognizing the signs that the world economy may be entering a new turbulent phase with significant downward risks, renewed upheavals in global financial and commodity markets, decelerating growth and mounting unemployment, we underscore the role played by the WTO in keeping global markets open, addressing trade finance shortage and mobilizing Aid for Trade support.

4. We draw attention to the fact that the Doha Round was launched as a “development round” which gives priority to the needs and interests of developing countries, especially the least developed ones, to ensure that all peoples and countries get an equitable share of the opportunities and benefits of trade liberalization and enhanced interdependence among economies. Achievement of these aims requires a fair and balanced deal that reinforces a rules-based multilateral system and enhances the necessary support mechanisms that provide appropriate trade-related technical assistance and capacity-building to the least developed countries.

5. The new realities of international trade have had a transformative impact on the scope of trade policies at the national, regional and international levels. Sustainable trade liberalization, free movement of capital, advancements in transport infrastructure and progress in information and communication technologies – all facilitate the complex web of trade flows, including components such as the movement of intermediate goods through global value chains. As a result, the focus of trade policies has shifted from the narrow field of import and export controls to the promotion of competitiveness and export diversification, in tune with the changes in the global economy.

6. International trade policy is not only about making laws and ratifying international agreements, but above all about creating a trade environment that generates revenue, provides employment and stimulates all stakeholders, including the private sector - especially micro, small and medium-sized enterprises - to be proactive and innovative. We recognize that the benefits of trade are not automatic and that trade itself is a necessary but insufficient condition for triggering and sustaining growth and development. Trade policy can also contribute significantly to poverty reduction, especially in developing countries. To bear fruit, trade policies must be discussed also in the context of further development objectives, such as employment generation, enhanced productive capacity, sustained and inclusive economic growth, food and energy security, improved public health, access to essential medicines and services, efforts to combat corruption, etc. Trade policies should be complemented by appropriate macroeconomic measures, including effective fiscal and monetary policies that are specifically aimed at a more equitable sharing of wealth and opportunities within and across countries.

7. Political credibility lies in the capacity to produce results, not statements. Failure to address the jobs crisis, to stimulate domestic demand and to stabilize the financial

sector risks sending the global economy into another recession. We insist on the need for integrated and coherent national trade, industrial, labour market and social policies that focus on promoting productive employment, decent jobs, strengthening productive capacities and better coping with external shocks. The trade-employment nexus needs to be critically accounted for within the entire multilateral trading system, aiming at full implementation of the ILO core labour standards and facilitation of labour mobility.

8. The task of transforming potential trade efficiency gains into employment gains is more challenging for the least developed countries with a lesser comparative advantage in manufacturing. This is why we believe that special and differential treatment measures and recognition of policy space within the WTO is important and that the implementation of trade liberalization policies in least developed countries should provide for gradual approaches and smoother labour-market adjustment. We concur on the need to enhance all forms of cooperation and partnership for trade and development and welcome the decisions of the 8<sup>th</sup> WTO Ministerial Conference concerning accession rules and services waiver for the least developed countries. We value the adoption by the WTO General Council in July 2012 of the recommendation to further strengthen, streamline and operationalize the 2002 LDC accession Guidelines and warmly welcome the accession of Vanuatu and Laos.

9. Protest movements in many parts of the world reflect popular discontent over insufficient participatory and inclusive policy approaches. For policymakers, this is an opportune moment to renew the social contract between the State and citizens and to reconsider the nature and magnitude of the role of the financial sector in globalization. Rebalancing the global finance and trading systems to make them work for the poor is part of the challenge. The Doha Development Agenda, which has development as its central principle, is a key part of the solution.

10. For trade to contribute effectively to more inclusive development paths, greater coherence needs to be built throughout the different layers and components of the international trading system – multilateral, regional and bilateral. To preserve the relevance of the WTO to changing economic realities, there is a need for the WTO to explore approaches to address new issues which are trade-related, such as in the areas of global supply chains, food and energy security and monetary problems. Given the actual impact of climate change, we call for greater coherence between the objectives and rules of the WTO and the fulfilment of international environmental obligations. To this end, we appeal for much closer cooperation between the WTO and the respective UN specialized institutions.

11. We reiterate our view that the WTO stands to benefit from a strong and effective parliamentary dimension. Parliaments are duty-bound to provide oversight of international trade negotiations, ensuring their transparency and fairness. They are also called on to oversee the implementation of international agreements. Driven by the

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\* The delegation of India expressed a reservation on the word “fulfilment” in the last but one sentence of paragraph 10.

desire to make the multilateral trading system work for the people and to achieve greater coherence in international economic governance, we restate our readiness to use all political means at our disposal to forge a multilateral consensus that will lead to the successful conclusion of the Doha Round. We take this opportunity to call on the WTO to provide parliamentarians with information more systematically on current and emerging trends in international trade and on the welfare effect of multilateral trade agreements. In the same vein, we urge national governments to provide easy and timely access to information on trade initiatives and negotiations to national parliaments, to develop dialogue channels on those issues, and to include parliamentarians in official national delegations to international trade events on a regular basis.

12. We welcome the decision of the WTO to hold its 9<sup>th</sup> Ministerial Conference in Bali, Indonesia, at the end of 2013, and see it as a new chance to inject the stalled negotiations with the necessary political momentum. We take this opportunity to reiterate our call to the WTO Members to recognize the role and responsibility of parliamentarians by adding the following words to the outcome document of the forthcoming Ministerial Conference: "The transparency of the WTO should be enhanced through closer cooperation with parliaments in its activities."

## Travel Costs

<b>ASSOCIATION</b>	Canadian Group of the Inter-Parliamentary Union (IPU)
<b>ACTIVITY</b>	Report of the Canadian Delegation to the Annual 2012 Session of the Parliamentary Conference on the WTO
<b>DESTINATION</b>	Geneva, Switzerland
<b>DATES</b>	November 15-16, 2012
<b>DELEGATION</b>	
SENATE	Hon. Donald H. Oliver, Q.C.
HOUSE OF COMMONS	Mr. Joe Daniel
STAFF	
<b>TRANSPORTATION</b>	<b>\$ 4,718.46</b>
<b>ACCOMMODATION</b>	<b>\$ 1,650.17</b>
<b>HOSPITALITY</b>	
<b>PER DIEMS</b>	<b>\$ 994.94</b>
<b>OFFICIAL GIFTS</b>	
<b>MISCELLANEOUS / REGISTRATION FEES</b>	
<b>TOTAL</b>	<b>\$ 7,363.57</b>