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REPORTS ON RECENT IPU SPECIALIZED CONFERENCES AND MEETINGS

(e) BALI SESSION OF THE PARLIAMENTARY CONFERENCE ON THE WTO

Bali (Indonesia), 2 and 5 December 2013

1. The ninth Ministerial Conference (MC9) of the World Trade Organization was a milestone event: the WTO finally delivered on its promise to advance the Doha Round of multilateral trade negotiations. For the first time since the establishment of the Doha Development Agenda 12 years ago, WTO Members managed to agree by consensus a set of trade liberalization measures. The political significance of the agreement, known as the "Bali Package", is hard to overstate: ending a multi-year stalemate, it represented a major step towards a possible conclusion of the Doha Round, setting the multilateral machinery back in motion and restoring confidence in the WTO.

2. Legislators working on questions of international trade, finance and development in their respective parliaments had been calling for such an outcome for a long time. They kept the Doha Round under close scrutiny through the Parliamentary Conference on the WTO - a product of collaboration between the IPU and the European Parliament. The Conference helps them oversee the effectiveness and fairness of WTO activities and serves to promote the transparency of its procedures. As a platform for the exchange of opinions, information and experience, the Conference facilitates the dialogue between governments and parliaments, helps build capacity in parliaments in matters of international trade and allows legislators to influence the direction of discussions within the WTO.

3. In accordance with the Rules of Procedure of the Parliamentary Conference on the WTO, its sessions are held annually and in connection with WTO Ministerial Conferences. In the latter case, parliamentarians have an opportunity to obtain first-hand information on the course of negotiations at the Ministerial Conference and interact with government negotiators and WTO officials. The parliamentary session in Bali was no exception to that rule.

4. Organized by the IPU and the European Parliament with the support of the Indonesian House of Representatives, the session was attended by 275 participants and observers from 53 countries and 12 international organizations. In all, 35 per cent of parliamentary delegates were registered to MC9 as members of official national delegations. This number roughly corresponded to the percentage of parliamentarians included in official delegations to the last WTO Ministerial Conference held outside Geneva (Hong Kong, December 2005).

5. Given that two-thirds of parliamentary delegates travelling to Bali in connection with MC9 were not included in official national delegations and therefore had no access to the premises of the Ministerial Conference, the Indonesian authorities, as MC9 hosts, made a unique gesture towards parliamentarians. By granting access to the MC9 venue to all holders of ID badges of the parliamentary session, they effectively averted a politically embarrassing situation where members of non-governmental organizations could access the MC9 venue while members of parliament could not. Against the background of stringent security measures for the Ministerial Conference, the bold decision of the Indonesian hosts was highly appreciated by parliamentary delegates.

6. The programme of the parliamentary session in Bali comprised two distinct components. The first sitting took place on 2 December, when most delegates were already in Bali but not yet too busy at the Ministerial Conference. The second sitting took place in the afternoon of 5 December, when the outlines of the "Bali Package" were already known. In-between these two dates, parliamentarians worked with their respective national delegations to MC9 and could also attend the various parallel events and activities taking place on the premises of the Ministerial Conference.

7. The inaugural ceremony of the parliamentary session was addressed by Mr. M. Alie, Speaker of the House of Representatives of the Republic of Indonesia; Mr. P. Tanbanjong (Thailand), member of the IPU Executive Committee; Mr. V. Moreira, President of the Committee on International Trade of the European Parliament; and Mr. K. Brauner, WTO Deputy Director-General. Among the session's guest speakers was also Dr. M. Kituyi, the new Secretary-General of the United Nations Conference on Trade and Development.

8. The substantive debate at the session focused on two subjects: the post-Bali agenda of multilateral trade negotiations and the impact of bilateral and plurilateral trade agreements on the multilateral process. In addition, the programme entailed a number of interactive events and presentations, including two panel discussions: one on trade facilitation and another on the benefits of trade for sustainable development, job creation and poverty alleviation.

9. One of the session's highlights was an event called policy dialogue with Ministers and senior WTO officials. The list of guest speakers at that event included Mr. G. Wirjawan, Indonesian Minister of Trade and MC9 Chairperson; Ambassador S. Bashir, Chairman of the WTO General Council; and Ambassador A. Pangratis, Permanent Representative of the European Union to the WTO in Geneva. Presentations by these prominent experts on WTO affairs gave rise to a lively debate.

10. At the closing sitting, the participants in the Bali session adopted by consensus an Outcome Document (see Annex) prepared by the Conference Steering Committee and amended through a process of broad consultations. The text reiterated the need for a strong and effective parliamentary dimension of the WTO aimed at enhancing the transparency of the organization and harnessing public support for open trade. Through various institutional mechanisms, parliaments are responsible for effective oversight of international trade negotiations and for scrutinizing implementation of the commitments entered into by governments.

BALI SESSION OF THE PARLIAMENTARY CONFERENCE ON THE WTO

Bali (Indonesia), 2 and 5 December 2013

Organized jointly by the Inter-Parliamentary Union and the European Parliament
in connection with the 9th WTO Ministerial Conference (MC9)

OUTCOME DOCUMENT ***Adopted by consensus on 5 December 2013***

1. We reaffirm our strong commitment to the multilateral trading system, which promotes rules-based, open, fair and non-discriminatory trade and has contributed to economic growth in WTO Members. We recognize the need for all our peoples to benefit from the increased opportunities and welfare gains that the multilateral trading system generates. International trade is especially important in the current financial and economic crisis, when it could contribute to economic recovery and creation of employment and could be helpful for the survival of businesses, including small and medium-sized enterprises. We are concerned about the protectionist measures being adopted by some countries in response to the crisis, stress the importance of curbing protectionism, and subscribe fully to the application of rules established by the WTO to help contain such trends.

2. We reiterate the importance of the Doha Round of negotiations, which no doubt would benefit greatly all WTO Members, in particular the developing countries, the LDCs, and the most vulnerable countries. It is rather discouraging that we have achieved little progress after years of negotiations. As a result, many countries resort to bilateral, regional and other preferential trade agreements. We strongly encourage all Member countries to seriously work for a rapid conclusion of the Doha Round.

3. We reiterate our conviction that trade can be an effective tool for development. As the majority of WTO Members are developing countries, it is only fair that all the outcomes of the Doha Round should be balanced and fair to all Members, especially the developing countries and LDCs. The Doha Development Agenda (DDA) is specifically aimed at increasing developing countries' share of world trade, stimulating their economic growth and contributing to their advancement towards attainment of the Millennium Development Goals. We recall that development should be at the heart of the process and therefore stress that it is important to take full account of the special needs and interests of developing countries and particularly the LDCs in the negotiations, and that special and differential treatment provisions should be made more precise, targeted, effective, tangible and subject to periodic review in order to provide assurances to developing countries that all countries which need assistance will have access to it. Trade openness has contributed considerably in the last few decades to enhancing developing countries' participation in the global economy.

4. In this context, we welcome the decision taken in June 2013 by the WTO Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS) to extend by an additional eight years the transitional period for the implementation of the TRIPS Agreement by the LDCs. This constructive compromise was the result of several months of intensive consultations among WTO Members and should help the LDCs further integrate into the multilateral trading system, taking into account their specificities. We hope that the same constructive spirit will guide both developed and developing countries in their search for a shared response to the challenges of globalization and the economic downturn.

5. The centrality of a multilateral approach to global trade liberalization is increasingly challenged by the growing number of plurilateral, regional and bilateral agreements and unilateral arrangements, which have proliferated in the past decade. While such agreements may enhance market openness in areas only partially covered by the WTO and may actually constitute a stepping stone to liberalization at the multilateral level, there must be coherence and convergence between preferential trade agreements and the multilateral trading system. We also urge that

plurilateral, regional and bilateral agreements on trade in goods and services do not constitute an obstacle to the conclusion of the Doha Round. We emphasize that a delicate balance needs to be achieved in the Doha Round, including negotiations on agriculture, non-agricultural market access and services.

6. We are convinced that the multilateral trading system should maintain its pivotal role, and therefore consider the outcome of the 9th WTO Ministerial Conference in Bali (MC9) to be of great importance. The adoption of the Bali package, including trade facilitation and certain elements on agriculture and development, can bring significant economic benefits to all WTO Members. For this to happen, commitments should be commensurate with the different needs, capacities and levels of development of the Members, and provisions guaranteeing an appropriate level of technical assistance and capacity-building should be included for WTO Members that are developing countries and LDCs. A satisfactory outcome of the negotiations on food security and other agricultural proposals, as well as on the development portfolio, is very important. We believe that there is a need to deliver on all three pillars of the Bali package to ensure a balanced outcome and instil confidence in Members at varying levels of development. We reaffirm our commitment to build on the Bali package to achieve the full conclusion of the DDA.

7. In terms of the post-Bali agenda, we hope to see substantive progress achieved with regard to "implementation issues" and "special and differential treatment", in addition to a number of key areas, including WTO negotiations on trade in goods and services, which may have a potential impact on the environment and development. At the same time, we support the resumption of talks on the revision of the Information Technology Agreement (ITA), which can foster global economic development, and call for a sustainable development impact assessment thereof. Other areas of progress should include a reform of WTO decision-making to prevent institutional inertia, a review of the trade defence instruments to efficiently eliminate trade distortions, and adoption of rules on access to, and trade in, goods and services.

8. We recognize that developing countries are not a homogeneous group. We support the WTO's aim of ensuring that developing countries, in particular the LDCs, can actively participate in trade liberalization negotiations in a manner that allows them to adopt and implement agreements while benefitting from special and differential treatment. We also support the idea that such an approach should be maintained in all future agreements.

9. We believe that fair, open and balanced trade can act as an engine for growth and contribute to poverty reduction. For the benefits of trade to be available to the broadest possible spectrum of the population, targeted support measures are needed. In this regard, we note the discussions that took place at the Fourth Global Review of Aid for Trade, which examined how to use development assistance for connecting developing country and LDC businesses to value chains. Aid for Trade must help these countries increase their productive and export-capacity potential, thus enabling them to compete more effectively within the multilateral trading system. We are concerned that, for the first time since the launch of the Aid for Trade initiative in 2005, the volume of commitments was reduced in 2011 due to the financial crisis, resulting in a lower level of support to large infrastructure projects, including in the transport and energy sectors, and call for more contributions in Aid for Trade programmes.

10. We emphasize the importance of facilitating the accession procedure to the WTO. The accession process should be accelerated without political impediments and in an expeditious and transparent manner for developing countries. This would contribute to the full integration of these countries into the multilateral trading system.

11. We emphasize once again the need for a strong and effective parliamentary dimension of the WTO in order to enhance the transparency of the organization and public support for open trade. Parliamentarians, as elected representatives of the people, are well-placed to listen to and convey the concerns and aspirations of citizens, businesses and non-governmental organizations, and to ensure that the benefits of trade are distributed in a fair way so that they contribute to the reduction of poverty and inequality, and the achievement of sustainable development for all. Through various institutional mechanisms, parliaments are also responsible for effective oversight of international trade negotiations and for scrutinizing implementation of the commitments entered into by governments. To be able to perform their oversight duties properly, legislators need to have access to information on trade and to international trade events.