

## **Informal Trade Negotiations Committee and informal Heads of Delegation meeting**

### **Remarks by DDG Agah**

Good morning.

I would like to welcome everyone to these informal TNC and informal HoDs meetings - the first that we are holding under this interim arrangement until a new Director-General is in place.

On behalf of myself and my colleague DDGs, let me start by expressing our best wishes for the health and safety of everyone, including your families here in Geneva and around the world.

As a Secretariat, we are pleased to see so many of you back on the WTO premises, and we appreciate your cooperation in taking the necessary health precautions.

Before continuing with my remarks, I wish, at this point, to offer the floor to the Chairman of the General Council.

[Ambassador Walker takes the floor.]

Thank you, Ambassador Walker.

As the General Council Chair has pointed out, our main focus – as Deputy Directors-General – is ensuring stability and continuity during this transition period.

That is what you, the Membership – through the General Council - requested of us. And it is what we are committed to.

In that regard, we have remained in contact with the General Council Chair and Members, as appropriate.

In preparing for today's meetings, and acting in coordination with the GC Chair, we held a virtual meeting of Negotiating Group Chairs, on the 2<sup>nd</sup> of October. At that meeting, the Chairs stressed the importance of continuing to carry out the work of the TNC during the transition period; and of keeping Members informed about ongoing developments in the negotiating bodies.

They stressed that it was important to keep working – as Members indeed have work to do. I believe that this is also what we heard from many of you at the last TNC/HoDs meetings in July.

The Chairs informed us that, since July, a number of them had resumed work or contacts in various configurations. I will, shortly, give the Chairs whose groups have seen developments since July the opportunity to report to you.

In addition, the Chairs of the special sessions of the TRIPS Council and the Services Council will soon reach out to delegations for your views on how to advance work in these areas. We should hopefully hear reports on their outreach efforts at our next meeting.

But, before moving to the reports from the chairs, I would like to update you on the management of the Secretariat during this interim period, including our own recent activities as DDGs.

We, the DDGs, wish to reassure all Heads of Delegation that the transition has been smooth, in line with your instructions at the General Council. The Secretariat continues to function normally in all areas of its work, and remains available, as usual, to support delegations with all means at its disposal.

I am happy to report that since the summer break, we have witnessed an increase in the number of meetings and activities on-site – with many delegations returning to the building. We welcome this.

In this regard, let me assure all delegations that the top objective of the Secretariat's Health Task Force is to ensure that the WTO remains one of the safest places in town. While there have been isolated cases of staff members testing positive for COVID-19, there is no evidence of spread within the Centre William Rappard despite the increased numbers of people here. This, I am sure, can be traced to the good practices that we have adopted.

We will continue to count on your cooperation in adhering to the sanitary guidelines that we have put in place, to ensure the safest possible environment for Members and the Secretariat to meet and work.

In addition, we are responding to Members' requests to increase the number of meeting rooms, equipped with virtual technology for hybrid meetings. This month, two additional rooms were made available to delegations. At the same

time, we continue to explore other platforms to find better, lower-cost alternatives.

We – the DDGs – want to ensure that the WTO maintains its engagement with all stakeholders during this transition period. And so we have continued with outreach activities in Geneva and elsewhere, mainly through digital platforms.

In all these discussions, the economic and social impacts of the COVID-19 pandemic have featured prominently.

Our activities have included:

- First, the G20 Trade and Investment Ministerial meeting in September chaired by the Kingdom of Saudi Arabia, with DDG Wolff representing the WTO.
- Second, the Inter-Agency Task Force on Financing for Development met at the principals level last week, with the WTO represented by me.
- The first anniversary of World Cotton Day, which we marked last week is also an important outreach event.
- All four of us have taken part in a wide range of events and panel discussions, on topics ranging from the 25<sup>th</sup> anniversary of the TRIPS Agreement to women's economic empowerment, agriculture and WTO reform.

We have also had several contacts with many of you – Ambassadors – here in Geneva.

In all of these discussions, we have emphasized the critical importance of international cooperation and coordination to meet today's challenges. We stress

the importance of open and predictable markets to foster a strong and inclusive recovery for all countries. And we make clear that closing off trade would mean unnecessary supply shocks, slower global trade growth, weaker productivity and lower living standards.

G20 Trade and Investment Ministers pledged to continue cooperation and coordination to support the recovery of international trade and investment, and to support the necessary reform of the WTO. The G20 Ministers also underscored the significance of ongoing WTO negotiations, and reiterated their support for an agreement by 2020 on comprehensive and effective disciplines on fisheries subsidies.

The G20 Communiqué was circulated to all Members at the request of the delegation of the Kingdom of Saudi Arabia, as document WT/GC/221.

Last week, WTO economists provided some positive news about global trade flows following the deep, COVID-19 induced slump.

June and July saw stronger-than-expected growth in merchandise trade. Our economists now predict that the volume of global merchandise trade will shrink by 9.2% this year compared to 2019. This would be among the worst contractions in years, on par with the drop seen during the 2008-09 crisis. But it is significantly better than the 13% drop that appeared likely in June, which would have been the worst fall in trade since the 1930s. And back in April, when our economists issued their first forecast for the year, that 13% contraction represented a relatively optimistic scenario. They projected that, if the outbreak and the policy response took turns for the worse, merchandise trade could fall by 32%, or even more.

Another positive sign for trade is that imports and exports are clearly helping to meet the sharply rising demand for key medical goods. For example, new trade data shows that trade in personal protective equipment (PPE) in the second quarter of this year was 92% higher than the year before - 122% higher if we compare May of this year to the same month in 2019. This confirms that trade is part of the solution when it comes to supply resilience.

None of this means we can afford complacency or inaction. While precise data are not yet available, we know that services trade has been badly affected, with a sharp fall in travel and in-person services. And even for merchandise trade, the 7.2% rise foreseen for 2021 would leave us below the pre-crisis trend, with serious downside risks from a possible resurgence of the pandemic that could disrupt the trade recovery.

We must remain vigilant, and continue to lay the groundwork for a strong, sustained and inclusive economic recovery. For job creation and growth, the policy choices you adopt at home will matter. So will the decisions and actions you take here at the WTO.

This includes transparency and information-sharing. We are pleased that Members continue to discuss COVID-19 related trade measures in relevant WTO bodies, as well as share information with the Secretariat's pandemic-related trade monitoring work.

Also, in relation to our transparency mandate, let me take this opportunity to remind you that the preparatory process for the WTO's end-of-year trade monitoring reports has been underway since early September. We urge you all to provide the necessary information to the Secretariat.

The pandemic and its impacts only compound the challenges that our organization was already confronting. Our task now is not only to ensure that trade contributes, in every way possible, to making the COVID-19 response more effective. It is also to ensure that the trading system emerges from this crisis stronger and better-equipped to respond to the aspirations of all Members. This means bringing ongoing reform efforts to fruition, in the shape of new agreements and renewed cooperation.

With these remarks, let me now turn to the reports of the Chairs of Negotiating Bodies. I will start with Fisheries Subsidies.

[Chairs of Negotiating Bodies take the floor.]

Thank you all for your reports and for your tireless efforts in assisting Members to advance their work.

Before opening the floor for discussion, I wish to reiterate that it is our hope that under the leadership of our capable Chairs, you will continue to identify and refine potential landing zones and areas of convergence. The goal is to build an environment in which the new Director-General – as Chair of the TNC – will have a clear sense of the way forward, instead of having to grapple with both old and new knots.

Political will and pragmatism remain essential as always, as is the need to take all voices into account. The process remains firmly within your hands.