



## INAUGURAL MEETING OF THE TRADE FOR PEACE NETWORK

### ***Trade for Peace Programme – Call for Action***

*Statement by Ambassador Alan Wm. Wolff, WTO Deputy Director-General*

25 March 2021, 15:00 ZOOM

### **INTRODUCTION**

Excellencies, Ladies and gentlemen,

Good afternoon,

Thank you, Axel.

You have just been welcomed virtually by the new WTO Director General Ngozi Okonjo-Iweala This is her 25<sup>th</sup> day on the job. She has been talking to Presidents, Prime Ministers and Trade Ministers, as well as her peers in other international organizations, and most if not all of the Ambassadors who are permanent representatives to the WTO. It has been a hectic first three weeks for her. She could not join us today, but I am pleased that she was able to take a break for a moment yesterday afternoon to tell you that what we and you are doing today, on the Trade for Peace Program, is something that she relates to fully and wishes this new venture much success.



On behalf of the WTO, I would also like to thank you all for joining us for the Inaugural Meeting of the Trade for Peace Network.

This meeting is the last of my public engagements as Deputy Director-General of the WTO. Looking back at the last three and a half years, Trade for Peace is an area of my work that stands out. It embodies the fundamental values of the rules-based multilateral trading system, fulfilling an important part of its mission to improve human welfare and prosperity and lay the foundation for peace. I have been privileged to have been associated with this initiative from the very beginning and to have witnessed the increased interest in the nexus between trade and peace, including by many of you who are attending this meeting today.

The Ministers, Ambassadors and representatives of fragile and conflict-affected countries associated with WTO accessions have highlighted the relevance of WTO membership for them and have made a passionate case for its role in contributing to peace, security and stability. I have met with many of them, including from Timor-Leste, Sudan - South Sudan, Ethiopia, Afghanistan, Liberia, who have first-hand knowledge and in some cases experience with violence in their home countries. They see that raising the living standards of their peoples through integration into the world economy leads to improved domestic stability and provides a better chance for achieving a durable peace. Reaching that goal is an imperative that drives them forward through the often extensive reforms necessary to join the WTO.

I would also like today to thank our partners, the g7+ Secretariat, the Geneva Peacebuilding Platform/Graduate Institute, the Institute for



Economics and Peace, the International Labour Organization, the African Union, the UN Economic Commission for Africa, the International Trade Centre, the International Chambre of Commerce, Interpeace, the International Committee of the Red Cross, the Aswan Forum, the World Bank, the UN Technology Bank, the UN Peacebuilding Support Unit, and Nespresso, amongst others – my apologies if I have missed anyone with whom I have interacted directly to bring Trade for Peace to where it is today. I am pleased to see that today we are also joined by new partners, including the UN Peacebuilding Commission and the Development Assistance Committee (DAC/OECD), and a number of Member delegations.

Many of you have already heard my strong interest and support for Trade for Peace in my past remarks, whether about the history of this imperative, its relevance to today's WTO agenda, or current specific cases by country or region. I addressed this as a guest in the first episode of the Trade for Peace Podcast, which was launched three weeks ago and was hosted by Axel. <https://podcasts.apple.com/ch/podcast/trade-for-peace-past-present-and-future/id1556631661?i=1000511561153>.

Today, my remarks will focus on: (i) the state of play in Trade for Peace, which is in transition from an Initiative to a Programme; and (ii) what I see as the next chapter in the Programme, calling for action from the WTO and our partners.

## **TRADE FOR PEACE: STATE OF PLAY**

As Axel already explained, the Trade for Peace Programme was first inspired by the establishment, at the WTO 11<sup>th</sup> Ministerial Meeting in



Buenos Aires in December 2017, of the g7+ WTO Accessions Group, a group of eight fragile and conflict-affected LDCs associated with WTO accession, including five in the process of accession (Comoros, Sao Tomé and Príncipe, Somalia, South Sudan and Timor-Leste) and three recently acceded LDCs (Afghanistan, Liberia and Yemen). They made the case, for the first time in recent WTO history, that trade and economic integration can be utilised to promote inclusive and sustainable peace in their countries.

Their decision reminds us of why the multilateral trading system was created in 1947 in the aftermath of the Second of two World Wars, the bloodiest thirty years in human history, killing as many as 100 million people. The survivors of that devastation decided to create a new world economic order through increased inter-connectedness. First, they aimed at reconstruction and development, through the economic support of the International Monetary Fund and the World Bank and through trade, by adopting the General Agreement on Tariffs and Trade (GATT). Their collective vision was to generate prosperity and prevent the return to inter-state conflicts. This was the noble cause which has substantially improved standards of living and reduced poverty for hundreds of millions, if not billions of peoples over the last seven decades. Using trade to support peace is as relevant today as it was then.

Currently, there are 23 countries in the process of accession, with nearly half of them considered to be fragile and conflict affected countries.<sup>1</sup> These countries are at the heart of this Programme: through

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<sup>1</sup> The designation of countries as 'fragile and conflict affected' is based on World Bank's 'Classification of Fragile and Conflict-Affected Situations' list. The 2021 list includes 9 countries in



the Trade for Peace Programme, the WTO remains committed to fostering peace and stability through integration into the world economy via trade. The WTO accession process provides a multilateral framework to strengthen the rule of law, improve policy predictability and transparency, and promote international cooperation.

The accession process is lengthy (e.g. currently, the average length of ongoing accessions is 17 years and 2 months) mostly because it requires sustained political will and extensive domestic economic reforms, both difficult for fragile and conflict affected countries to maintain. However, it is worth the effort. The introduction of the necessary economic and trade frameworks creates an environment that fosters economic development, raises the standard of living, and attracts foreign investment. The accession process can help set the conditions for these countries to move out of a state of fragility or conflict into a state of stability and peace.

Since its launch in December 2017, the Trade for Peace Initiative has brought together the trade and peace communities which did not talk much to each other -- even though they are largely based in the same city, here in Geneva, and deal extensively with the same countries. The WTO, in collaboration with our partners, organized a series of seminars, webinars and panel discussions in the WTO and on other platforms hosted by our partners. These activities have increased mutual understanding of the different perspectives on the trade and peace linkages and have identified areas of common interest where we can make a difference if we work together.

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accessions: Comoros, Iraq, Lebanon, Libya, Somalia, South Sudan, Sudan and Syrian Arab Republic, and Timor-Leste.



An early result was the first Trade for Peace Week last December. That week of discussions forged new partnerships and collaborations, allowing an upgrade of the initiative into a programme and further cooperation across a wider network beyond Geneva.

## **TRADE FOR PEACE: CALL FOR ACTION**

We convened this meeting today to hear your views on how and where you wish to take the Trade for Peace Programme forward. From our side, we have taken the following actions to lay the ground for today's meeting.

First, as noted, we launched the Trade for Peace Podcast series earlier this month. We plan to use this platform to hear the stories of Trade for Peace champions, both from policy makers and from those on the ground. The first guest was Ambassador Mohammad Qurban Haqjo, former Permanent Representative of Afghanistan to the WTO and Coordinator of the g7+ WTO Accessions Group.

Second, we shared with you a draft outline for a White Paper on Trade for Peace, an idea from one of our partners. The objective of the White Paper is to inform readers of the concept of Trade for Peace, outline the vision, and identify areas and modes for collaboration which could lead to a defining impact on the ground in fragile and conflict affected countries.

There are four pillars of activities that we currently envisage: (i) political engagement; (ii) public dialogue and outreach; (iii) research; and (iv) training and capacity building. We have also indicated possible areas



of themes and topics for collaboration, such as job creation, the use of technology, the roles of the private sector and of women and youth. We welcome your ideas and suggestions to make this programme relevant for all of us.

Please consider contributing to the drafting of any of the sections of the White Paper. Our hope is to use this process of developing the White Paper to help define a work programme for the Trade for Peace Programme going forward. As you see in the next steps and timeline, it is our plan to hold further meetings of the Network to consult with you until the public release of the White Paper by the time of the 12<sup>th</sup> Ministerial Conference in December.

Third, we are also looking for ways to sustain engagement on a stronger footing. Currently, the Trade for Peace Programme is being supported by the WTO Accessions Division as a complementary activity to support the accessions of fragile and conflict affected countries. Some have asked, however, perhaps rightly, whether this Programme should be limited to only observer governments, as there are indeed 23 current WTO members which are classified as fragile and conflict affected countries by the World Bank.

In recent years, the world has been witnessing increasing trends of violent conflicts which have resulted in one of the biggest displacement crises ever recorded, accompanied by rising inequality, discrimination, and exclusion. Fragile and conflict-affect countries have very high poverty rates (over 40 percent); half of the world's poor are estimated to live in fragile and conflict-affected countries; and by 2030, this is estimated to increase to include two-thirds of the world's poor.



If we do not take coordinated action, all the gains that have been made in the fight against poverty can be nullified. Fragility and conflict neutralized past efforts and undermine future progress. In my view, the WTO cannot be silent or stand aside, especially when trade can act as a way to break the vicious cycles in these countries.

## **CONCLUSION**

With the establishment of the Trade for Peace Network, with support from all of you, this Programme is now ready to be formally launched. I look forward to hearing your thoughts and ideas on what's next in Trade for Peace in the next hours.

Thank you.

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