

ITALY MC11

STATEMENT BY SECRETARY OF STATE FOR FOREIGN TRADE AND FOREIGN DIRECT INVESTMENT ATTRACTION, IVAN SCALFAROTTO

Ministers, Delegates,

I am glad to be here today, on behalf of the Italian government.

As a manufacturing country, we acknowledge that free, fair and mutually beneficial trade and investment are key engines for growth and job creation.

By the same token we continue to strongly support the rule-based multilateral trading system for the undeniable benefits provided to the whole WTO membership.

Starting from the financial crisis in 2008, however, we witnessed an increasing use of trade restrictions all over the world resulting in strong criticism against trade policy-making from our civil society.

Rising protectionism and anti-global movements have made serious attempts on the system of multilateral free trade in the most recent years. People in developed countries are blaming free trade for the loss of jobs, or for exposing producers to unfair foreign competition.

However, what is even more worrying at this point is a progressive erosion of the WTO prerogatives from within, in particular the lack of substantive convergence on many important files and the process deadlocks we are experiencing.

This way, the negotiating function of the WTO is put under stress and risks to be seriously limited. The dispute settlement function is also now subject to serious strain.

We are open to discuss any functioning problem on the basis of concrete solutions, but we should collectively resist any attempt to weaken the independence and autonomy of the DSB.

Free and fair trade remains an overarching element of our economic relations.

We must reaffirm the centrality of the WTO as the cornerstone of global trade, as the main engine of a system that exists to generate economic growth and social development.

The Italian Government is a strong supporter of an ambitious trade agenda, both multilateral and plurilateral. In order to fulfill such an ambitious agenda, though we believe that a great degree of flexibility is needed in multilateral negotiations. Flexibility is possible for all if we do not fall in the trap of useless ideological positions, or even worse, battles of principles, whether it be the future of the DDA or the lack of a mandate to negotiate on e-commerce.

Our multilateral work does not end with this conference but this conference can convey the right messages within and outside the system, namely that the multilateral trading system has been and remains crucial for economic growth and social development; that the WTO is well positioned at its center and is still capable to deliver outcomes that, although partial and incremental in nature, are all the more necessary for inclusive development.

We all share the idea that the objectives of the DDA are still fundamental for the world and have to be pursued. Nevertheless, it is undeniable that, so far, the ability to deliver has been below expectations. We all should draw lessons from this and concentrate pragmatically on the areas where progress is indeed at reach.

The terms of a reachable deal are therefore rather clear. Deliverables are possible on certain fishery subsidies covering all areas of SDG 14.6, on Domestic Support and on Public Stock Holding for Food Security Purposes in Agriculture, on Domestic Regulation in Services, on the possible kick off of serious negotiations on Digital Trade and Investment Facilitation and, last but not least, on transparency of regulatory measures for the benefit of Small and Medium Enterprises.

It is time that greater transparency, sharing of best practices and trade facilitation are made available to SMEs for international exchanges that could further boost economic growth. In this regard, we praise the ITC initiative to launch a help desk portal for SMEs.

Italy, together with all EU MS, is also a co-sponsor of the draft declaration on women and trade.

Ministers, Delegates,
tangible outcomes are possible. But if it takes two to tango, it takes 164 WTO members to engage constructively, with pragmatism and flexibility, on what is possible and viable here and now.
Let's send a positive message of hope and stability to the world from Buenos Aires.
Thank you.