

## Salzburg Global Seminar

22 May 2012

### What Future for Multilateralism, Regional and Bilateral Agreements

- The EU is and has been traditionally a staunch supporter of multilateralism.
- This position has multiple reasons.
  - Firstly we are pragmatic i.e. not other form of trade liberalisation/trade rule-making can match the benefits of agreements at multilateral level.
  - Secondly we truly care about the less developed countries and in particular LDCs and we believe that a functioning rules based multilateral system is the best way to promote their economic development.
  - Thirdly we are also "enlightened egoists" as we have such a diverse economic/export interests with 27 EU MS with different level of competitiveness and types of specialization we have long ago concluded that that the best way to cover all these interest is to reach agreements at multilateral level.
- Finally I should that the rapidly changing context of the global economy, the emergence of new trading patterns e.g. in the form of Global Supply Chains makes it increasingly challenging to address certain issues at bilateral level and even in plurilateral or regional settings.
- For all these good reasons we have opted long time ago to promote and support multilateralism as much as we can.

--- 6) we are also projecting our own system and values

- It is incontestable that there is a proliferation of RTAs in the world and the "plurilateral approach" is attracting quite some attention nowadays in Geneva.
- On RTAs it is very important the WTO remains a relevant player and can fulfil its role. With some other countries we have proposed before MC8 that we start discussions and exchange of information on the eventual implications of RTAs on the multilateral system. Some countries have blocked this proposal.
- This is unfortunate and we remain convinced that we should never block discussions in GVA as it could help our collective understanding and pave the way for multilateral coordination or rule making as appropriate.
- In a certain way the same applies for "plurilateral approaches". If we refuse to discuss certain things, the obvious reaction and temptation by others is to create smaller circles of "like-minded" countries and pursue their negotiations there.
- This is not good for the future of the MTS.
- And we have all our share of responsibility in this.

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- How to revive MTS?: (i) secure early deals in areas where it seems possible (TF) and thereby generate impetus for the rest of the DDA. (ii) focus more on the better functioning of the WTO system under current rules (much more could be achieved), (iv) all should remain open minded about discussing new issues to preserve relevance and avoid fragmentation of MTS.