

*Lecture at the University*

*"The WTO turns 20 – its importance for the global economy, and the role of the EU"*

Speech given by Ambassador Pangratis at the University of Stockholm, Sweden

On Monday 2 February, 2015

**Theme**

The lecture was in fact articulated around 3 main themes:

The WTO is really a test for multilateralism. The WTO is spearheading the global multilateralism for 3 main themes:

1. The WTO is mainly a test for multilateralism. The WTO is spearheading for main reasons (the set of international rules and disciplines, the most unique dispute settlement with quasi traditional nature and quasi personality, the most dynamic organisation etc). I presented "the paradox of multilateralism" which consists of two contradictory elements: first, the fact that the increased complexity of international relations particularly trade rules, there is an increasing demand for more common rules and disciplines. There is in fact an increase in common space where all Members have an interest to identify such rules and disciplines. On the other hand however, it has been more and more difficult to deliver. Trade rounds have taken an increased amount of time before they were concluded and the last one, the DDA, has not given a result for 15 years until Bali. This spectacular paradox clearly indicates that there is a problem of governance. It applies to Trade but also to other areas of multilateral negotiations. For those reasons the transformation that is taking place in the WTO on core issues on fixing the agenda and negotiating are of wider relevance. These changes correspond to improvements of Governance of the organisation and particularly of its negotiating function as such they include issues and lessons of the WTO and multilateralism in general.

2. The uniqueness of the role of the WTO:

Constantly one message delivered by one voice. Remarkable ability to react coherently. Internal EU coordination works spectacularly. It allows the EU to be proactive, to move quickly to take initiatives and to be extremely flexible. It is, of course, based on the treaties and the exclusive competence for trade policy. However, the effective internal coherence of the EU and the areas where it acts together with one message and one voice is wider than the strict definition of competences. It is based on the fundamental fact that MS recognise that being coherent with the WTO serves better the interests of the EU and in fact the interest of our citizens. More spectacular of acting together out of common interest was the selection of the DG in 2013. Past practice was against us (MS have always voted individually and themselves) and the EU did not claim competent. Nevertheless, in three rounds of votes the EU Ambassador delivered the 28 votes of the Member States.

3. The organisation; there will be a consolidation of its ability to deliver results.

If, by delivering the next agreement in December 2015 or later, the WTO manages to deliver DDA and liberate the organisation from the straight jacket of the DDA, it will end forever the impasse that had transformed itself into a formidable machine of building irrelevance, the shape would be able to

navigate in open waters again and perform the next steps of its transformation that would include elements like:

- Dealing flexibly with a negative power of one
- allowing more flexible agreements with a quasi-majority or more flexible plurilaterals
- not to proceed anymore with the big rounds that take years to finalise but with quicker processes where the agenda is fixed with what is doable on a large basis so that everybody has some interest and with the delivery of a maximum period of 2 years.