

WTO Public Forum 2013

01-03 October 2013, Geneva

A CUTS Report

Theme: Expanding Trade through Innovation and the Digital Economy

The WTO Public Forum is an annual event that provides a platform for public debate across a wide range of WTO issues and trade topics. This year the WTO Public Forum was aimed at addressing the question on the future of world trade in an era of innovation and digitalisation. It posed various questions such as:

- Whether technological innovation has changed the way we trade, and if so, how?
- Has trade helped countries to innovate?
- How can innovation enhance trading capacities of developing countries?
- How can trade keep up with the rapid evolution of technology?

The 2013 WTO Public Forum went on to examine these issues and discussions were focused on the following sub-themes in 37 Working Sessions and 16 Workshops:

- Innovation and Trade
- The Digital Economy
- Greening the Economy; what role for innovation?
- Technology, a tool for trade and development
- Trade and Energy

Opening

Opening the WTO Public Forum, Roberto Azevêdo, the newly appointed Director-General of the WTO, expressed that the Public Forum is a reality check for the WTO, as it provides a great opportunity to learn from participating stakeholders to do things differently. He emphasised on the importance of innovation as one of the key drivers for trade flows and questioned the availability of much-needed incentives for innovation if its fruits could not be traded or if target markets were domestic only. He expressed that various aspects of innovation influence trade and cited innovation in trade finance as one of the most required ones, especially for small economies facing the consequences of current economic crisis. He said that there is an urgent need to update the multilateral trading system in order to be relevant and to stimulate innovation and development. In this context, he highlighted the importance of the forthcoming 9th Ministerial Conference of the WTO Members, which will be held in Bali, Indonesia in December 2013, as an opportunity for the WTO Members to demonstrate their commitment to the multilateral trading system to update and enhance trade rules, making them more adequate to today's needs.

In his Keynote Address, Michael Froman, US Trade Representative, expressed that the Bali Ministerial Conference will be a test for all the WTO Members in terms that if member-countries cannot agree on a package of trade concessions, it would hurt the smallest and poorest of countries and will threaten the prospects for future global trade negotiations. Such a failure to reach agreement would only demonstrate that WTO is not a viable forum for negotiations, and bilateral and plurilateral agreements may become the only way out.

Explaining the importance of striking a deal on trade facilitation measures, which is meant to streamline customs and other procedures affecting shipments of goods across borders, he said, failure to agree would lead to a setback that could take the proposed concessions off the table altogether. He also stated that “Bali has the potential to be a vital step towards the WTO creating something new, something that can lead to other new opportunities – to innovation in our approach to multilateral negotiations.” Given that the WTO has not been able to produce a new, fully multilateral agreement since 1995, which is a vital gap, he added: “The WTO is now at a crossroads, and the challenges that remain are the hardest.”

The **Opening Plenary** had a panel comprising of Roberto Azevêdo, DG, WTO; Alexander Stubb, Minister for European Affairs and Minister of Foreign Trade of Finland; Talal Abu-Ghazaleh, Chairman of Talal Abu Ghazaleh Organization; Luo Feng, Chief Executive Officer of IZP Technologies; and Francis Gurry, Director-General, World Intellectual Property Organisation. Julie Gichuru, TV host and news anchor of Citizen TV, was the moderator. The panellists expressed that innovation has brought a major change in the way trade is done today and its importance is ever increasing. The technological innovations can facilitate accessibility of high-quality products with lower cost to consumers and further bring manufactured goods to suitable markets increasing the trade volumes. For this to happen, as per them, Governments, parliaments and businesses need to respond to these changes.

While the first day of the Forum looked at the role of innovation and technology vis-à-vis trade, Day 2 discussed how innovation is helping small businesses’ trade across borders and their access to distant markets. Panellists discussed the challenges of protecting consumers’ rights, and highlighted how innovative ways of trading such as mobile telephony and other online purchasing technology, can bring benefits to consumers. Day 3 deliberated on issues relating to preparations for the Bali Ministerial Conference, including trade facilitation, agriculture and developmental issues.

CUTS International organised two Working Sessions and they are as follows:

- **The Neglected Imperative in Trade and Development: Innovation as a Growth Strategy for the Global South:** This Session was organised in partnership with Organisation Internationale de la Francophonie (OIF). It examined the relationship between innovation and trade in developing and least-developed countries, with an emphasis on Francophone nations. The panel highlighted that innovation is a vital tool for promoting growth and an effective policy and regulatory framework is crucial for creating the right environment for this relationship to yield concrete growth. Panellists suggested looking at innovation as ‘smart’ specialisation to increase productivity and create structural change. For details:
http://www.wto.org/english/news_e/news13_e/pfor_01oct13a_e.htm#ws4
- **Trade Facilitation: Addressing Consumer and SMEs Interests and Concerns in Developing Countries:** This Session focused on identifying the issues of interest for consumers and small & medium enterprises in trade facilitation and how TF can increase consumer welfare and competitiveness of SMEs. These issues were juxtaposed with the current state of negotiations for a multilateral agreement on trade facilitation by the WTO Members. The Session was based on a proposed CUTS project seeking to promote pro-consumer and pro-competitiveness TF reforms in developing countries. For details:
http://www.wto.org/audio/pf13_workshop11.mp3

Besides them, on the side lines of the Forum, CUTS International launched an edited book for the French-speaking trade negotiators and related stakeholders. 'Réflexions depuis la ligne de front: Les négociateurs des pays en développement à l'OMC' (Reflections from the Frontline: Views of developing country negotiators at the WTO) has 17 chapters and presents the evolution of the Doha Round of multilateral negotiations, its accelerations and deadlocks. It gives a substantive account of the evolution of the negotiating agenda and the role of developing country coalitions and alliances. The 'Reflections' are those of former and current developing country negotiators who are best placed to bring us a viewpoint 'from the frontline'. Launching this book, Alain Bédouma Yoda, former Minister of Foreign Affairs of Burkina Faso said: "I hope that the views expressed in this book will be defended by the greatest number in Bali."

Overall, the WTO Public Forum 2013 discussed a number of pertinent issues related to innovation and new technologies that are considered as a source of growth. This is because the new digitalised economy has transformed trade relations and discovered new ways of doing trade, and it underlines the role of trade as a major driver of growth.

The Forum provided an opportunity to listen and exchange views amongst non-governmental organisations, academia, private sector and trade negotiators who are the major stakeholders for shaping the future economic and political environment which would, in turn, determine the role of trade as a major driver of growth.

For details about the WTO Public Forum 2013, please access the following link:
http://www.wto.org/english/forums_e/public_forum13_e/programme_e.htm