

Ngozi Okonjo-Iweala, Director General World Trade Organization

April 26, 2021

Dear Director General Ngozi Okonjo-Iweala,

Congratulations on your appointment as the Director General of the World Trade Organization (WTO). We were pleased to note how your selection demonstrated the desire of the general Membership for a new direction in the WTO, away from the ideologically proneoliberal, to a more cautious and reasonable approach to globalization.

We are writing as civil society organizations including development advocates, environmental groups, trade unions, farmers' associations, and other social movements and other Civil Society Organizations (CSOs), working for a sustainable, socially just, and democratic multilateral trading system, coordinating together in the Our World Is Not for Sale (OWINFS) network. As OWINFS is the primary network of CSOs following the WTO for more than two decades, our network's positions and advocacy enjoy strong support from the wider civil society community; our last sign-on letter was endorsed by 400 organizations from over 150 developed and developing countries.

We have a long history of holding the WTO to account for its obligations to deliver opportunities for countries to be able to use trade to achieve their development goals. We therefore look forward with anticipation to your ability, as the first woman and the first African, to provide much-needed alternative leadership to the WTO.

Until now, only rarely have members of our network engaged directly with the Director General. Your predecessor took unprecedented steps to bring powerful global corporations in an even tighter relationship with the WTO, which should be reversed. We hope that your appointment will allow for a shift in this policy towards more transparency and engagement, to provide more space within the WTO for CSOs representing communities affected by WTO policies to advocate for a global trade system that benefits farmers, workers, the environment, and the public interest generally.

The failure of neoliberalism has left the world dealing with a climate crisis, greater inequality and deteriorating health indicators worldwide, it is clear that business as usual can't continue. There is an urgent need to find a global consensus about what needs to change. The changes cannot be simply what some members, no matter how powerful, wish to impose. Since its founding, the majority of members have sought to address the historical imbalances in the WTO's rules, practices and agendas especially towards the Global South. The failure to conclude the development agenda and the continuation of unmandated plurilateral negotiations are intensifying these asymmetries.

The key priority must be to set a new development-focused and people-oriented agenda which will allow countries to achieve the goal of using trade for their development.

Unmandated, illegitimate, and likely unconstitutional plurilateral processes launched by developed countries must not be promoted and supported by the WTO Secretariat, which must remain neutral and serve all members, not just selected members.

Given the negative impacts of 26 years of the liberalization and deregulation policies that form the backbone of the current WTO, we call for a turnaround in the upcoming Geneva Ministerial agendas. What is needed is a shift towards a development-focused trading system, in which Special and Differential Treatment (S&D) rules are reaffirmed as the center of the global trade system. This would require making the long-term demands of the proposals to make S&D operational and effective. The global trade system must be transformed to provide countries sufficient policy space to pursue a positive agenda for development and job creation, and must facilitate, rather than hinder, global efforts to ensure true food security, sustainable development, access to essential services, affordable healthcare and medicines, and global financial stability. It must not continue to be used by dominant developed countries to impose on developing countries policies whose main purpose is to favor the economic interests of large transnational corporations.

In particular, far from supporting equitable involvement of the Global South in digital development, and use of platform technologies and business models for empowering small and medium enterprises, the digital trade agenda currently being negotiated would consolidate the power of the existing digital oligopolies and would further the digital economic divide. It would bode ill for the future of an organisation that claims to be rules-based, if the Secretariat were to continue to enable those unmandated plurilateral negotiations, which bypass the consensus mandated Work Programme on Electronic Commerce.

We welcome your recognition of the serious supply scarcity of COVID vaccines and that COVAX is continuously being outbid by some countries. It is incumbent on WTO urgently to take measures to facilitate an increase in vaccine production. The best way to achieve that is to agree a TRIPS waiver to facilitate the production of COVID vaccines. We look forward to your efforts to bring that about.

We look forward to the conclusion of the talks towards new disciplines on Fisheries Subsidies, as long as they take into consideration of the entire mandate, which includes the full range of SDT so that developing countries can protect their sovereign right to develop and manage their resources as well as ensure their artisanal fisherfolk's livelihoods and food security.

It is also urgent to recognize the need to accommodate developing countries' requirements for public stockholding, the special safeguard mechanism, cotton and the phasing out of massive trade-distorting domestic agricultural subsidies that are granted by some developed countries, including the allegedly non-trade distorting decoupled subsidies, and that gravely harm the well-being and sustainable development of many developing countries.

Another priority is to address gender issues meaningfully, in the interests of women, and not transnational corporations. As the statement from 160 women's organisations at the Buenos Aires Ministerial Conference highlighted, women do not need pink-washing into the existing stream of trade rules that have devastating effects on subsistence agriculture, dignified and secure livelihoods, affordable access to medicines, among other priorities. Finally, there can be no doubt that climate change is another pressing issue. It cannot be addressed by adding a few trade-related rules to environmental goods, services and technologies. Real systemic change in the way global trade is conducted needs to occur if the WTO is to reduce the negative impacts of trade on our shared climate.

We look forward for an opportunity for some of our members to meet with you as soon as possible, so that we can exchange views in more detail. Please feel free to be in touch with Deborah James at <u>djames@cepr.net</u>, +1.202.441.6917 to arrange a meeting.

Sincerely,

Association for Proper Internet Governance (APIG), Switzerland Australian Fair Trade & Investment Network (AFTINET), Australia IT for Change, India SOL, France Southern and Eastern Africa Trade Information and Negotiations Institute (SEATINI), Uganda World Labor Institute (Instituto del Mundo del Trabajo, IMT) Argentina