



**Ministerial Conference
Tenth Session
Nairobi, 15-18 December 2015**

**ADDRESS BY MR ROBERTO AZEVÉDO
WTO DIRECTOR-GENERAL**

MC10 OPENING SESSION - 15 DECEMBER 2015

WELCOMING REMARKS

Welcome to the 10th Ministerial Conference of the World Trade Organization.

I want to pay tribute to the Government and people of Kenya for hosting this Ministerial Conference, and giving us such a warm and graceful welcome.

To President Kenyatta, I express my sincere gratitude for your leadership and your belief in the power of trade to change people's lives for the better.

To Cabinet Secretary Mohamed, Chair of our Conference this week, I want to say thank you for your tireless efforts to provide the perfect venue for our deliberations and to make this conference a success.

The commitment of the Kenyan government to this conference has been total. And I think this mirrors their commitment to trade itself as a force for growth and development.

So on behalf of the World Trade Organization and each of our 162 Members, I wish to thank you for your generous hospitality – and for hosting us in this ideal setting.

Let me also take this opportunity to congratulate President Ellen Johnson Sirleaf on her leadership in advancing Liberia's membership of the WTO. I hope that Liberia's accession will be one of a number of positive outcomes from our work here this week.

Finally, I want to pay tribute to the outstanding agreement that we saw in Paris on Saturday. I want to congratulate Secretary-General Ban Ki-moon and the French Government in particular. That was indeed a global achievement.

Responding to climate change has long been one of the most intractable problems facing the international community. And after many years of effort we now have a deal. We have seen the power of the world acting as one.

We should be inspired by that breakthrough here in Nairobi.

We should be inspired to lift our sights – to reach further – to aim higher and use trade for the common good.

Two years ago in Bali we recalled some famous words of Nelson Mandela – words which I heard repeated in Paris on Saturday:

"It always seems impossible, until it's done."

So here, at the WTO's first ministerial conference to be held on African soil, I think we should take inspiration from that sentiment once again. Kenya has set the stage. Now it is time for us to deliver.

ADDRESS TO MINISTERS

Let me once again pay tribute to the government and people of Kenya for hosting this 10th Session of the WTO's Ministerial Conference.

I want to take this opportunity to extend a particular welcome to those members who joined since our last ministerial conference: Yemen, Seychelles, and Kazakhstan. We're glad to have you with us. And of course we look forward to welcoming Liberia and Afghanistan later this week.

This is the first WTO Ministerial Conference to be held in Africa. As Cabinet Secretary Mohamed has said, Kenya is hosting this conference on behalf of the whole continent. I welcome that sentiment.

As Director-General I meet a huge number of African leaders and businesspeople – and I am always struck by their energy and purpose.

In many African cities – including here in Nairobi – there is a rare sense of anticipation.

Africa is on the rise. It is the world's youngest continent. Its economy is the fastest growing.

Its potential is unmatched. And it is clear that trade has a crucial role to play in helping to realize this potential.

We are seeing efforts to dismantle trade barriers across the continent. And we are seeing a real belief that trade can make a difference.

A global study by the Pew Research Centre found that, of all regions, African public opinion was the most pro-trade.

The WTO was founded on African soil – in Marrakesh. So although this is our first ministerial conference in Africa, really this is a homecoming.

And I hope that we will seize this opportunity, over the coming days, to deliver for Africa.

Of course, this conference also marks the 20th anniversary of the WTO.

Over these 20 years, the cause of liberalised, development-oriented, inclusive, rules-based international trade has advanced significantly.

34 members have joined the WTO, meaning that almost all of the world's economies are now part of a single trading system, covering 98% of global trade flows.

Trade barriers have continued to fall over this period.

It is no coincidence that average tariffs have been cut in half.

The majority of global trade is now tariff free.

And trade volumes have more than doubled.

When you founded the WTO and agreed the legal texts, you effectively provided a constitution for global trade: a constitution which enshrines trade's fundamental principles – and which will stand the test of time.

Members monitor each other's practices and regulations against those principles to improve transparency and avoid protectionism. And when conflicts do arise, we have built one of the most effective dispute settlement systems in the world to resolve them. The system is now dealing with its 500th case.

In this way, the organization has become established as a key pillar of global economic governance.

Of course we also work to negotiate new agreements and reform the rulebook.

And the last time we met – in Bali two years ago – we delivered the biggest success of WTO's 20 year history.

The Bali package contained a range of vital measures on agriculture, food security and development. It brought us the Trade Facilitation Agreement which – when implemented – could have a bigger impact than the elimination of all remaining global tariffs, with the bulk of the benefits going to developing countries.

We are now working to take forward all elements of the Bali package – including accelerating ratifications of the Trade Facilitation Agreement, so that we can begin to put it into action. I ask for your continued support in that effort.

Bali was a major breakthrough for our negotiating work. And after Bali everything that we were negotiating before – in the context of the Doha round – was back on the table.

We have been working hard since then to advance these issues as far as possible. We were working on this up to the last minute before leaving Geneva for Nairobi.

Some issues proved to be quite difficult to tackle, and progress was impossible on many of the key issues, despite our efforts to be creative and open-minded. However, we come to Nairobi still hopeful that in some areas – some important areas – we might find a way to conclude negotiations.

When we left Geneva, negotiators were still working to finalise deals that could include:

- steps on agriculture,
- measures to improve transparency,
- a number of steps on special and differential treatment for developing and least-developed countries,
- and some specific issues for the LDCs.

I think there is a real desire to deliver here in Nairobi – particularly for the LDCs, 33 of which are African nations.

Ambassador Monyane of Lesotho – chair of the Africa Group in Geneva – put it very well. He said:

"We need to deliver for *all* the people we represent. That includes those who won't see the press conferences. Who won't read the newspapers. Who don't have a TV. We need to deliver real success for them – and that means delivering something which will improve their livelihoods."

I echo that statement. That's what we must do here.

And I want to welcome the generous support which was offered to LDCs yesterday by many of you at the pledging conference for the Enhanced Integrated Framework.

I would also like to thank those members who provided funds to support LDC participation in this Ministerial Conference.

Whatever we achieve in Nairobi, I am hopeful that it will be development-oriented and that the LDCs are prioritized.

Let me be clear, we are not looking at a perfect outcome here. Whatever the outcome, it will never be as comprehensive and ambitious as some may have hoped when we began our journey. And it would not add up to the successful conclusion of the Doha issues. But we can take important steps nonetheless. Steps that could help to improve the lives and prospects of many – and strengthen the system on which we all depend.

Exactly what we can achieve will be determined by your actions over the next few days and hours.

We have got close to success on many occasions before and then, at the 11th hour, stepped back. I have seen this happen and I have always – every single time – regretted that we didn't take that final step. I am sure many in this room share that feeling.

Let's not set the stage for regrets once again. Let's seize this opportunity.

Of course, other negotiating work has been moving forward as well.

Some members have been exploring issues outside the Doha agenda.

For example, we have seen significant progress in negotiations to expand the Information Technology Agreement.

This expanded agreement will eliminate tariffs on 200 IT products. Trade in those products is valued at over 1.3 trillion dollars each year. Therefore we will be removing tariffs on approximately 10% of global trade. It is a big deal – and I hope that we will see progress on this front here in Nairobi.

Work has also been moving forward on an Environmental Goods Agreement, and I think that the importance of this initiative – of this issue – has been brought into clear focus by the historic Paris Agreement. We have seen important steps on this work in recent days – and I hope that the participants will continue to advance in the New Year.

While we should do everything we can to deliver meaningful outcomes in Nairobi – we must all recognize that this is only part of the picture.

The question is not just about what we do this week – it's also about what we do afterwards. It's about our agenda – our *vision* – for the coming years.

As I have said, the WTO does important work administering the global trading system – spreading the rule of law, monitoring policies and settling disputes. These elements of the system are highly valued. And they will remain vital to keep commerce flowing.

But, despite some recent breakthroughs, there is no doubt that our negotiating work is facing real problems.

We need to consider what we want from the system – and how we can maintain it as a negotiating forum.

In the face of fragile economic growth, members should be looking to use the WTO to leverage trade as a force to accelerate growth and development. But all too often you are looking elsewhere.

Members are increasingly focused on bilateral and regional trade initiatives. Of course this is due in part to the lack of progress we have seen through the WTO and the limitations on our work.

But let me say this: the presence of bilateral and regional initiatives is not a cause for concern. They have long co-existed and complemented the multilateral system. And our analysis of these agreements shows that they all have WTO DNA. We have found no obvious conflicts with WTO rules.

A bigger consideration, however, is where such initiatives cover areas that are not currently covered by the WTO.

Our concern is not that these initiatives ventures into these areas. It is with the fact that the WTO is not properly considering how to respond to these developments.

The greatest value of the WTO is that, big or small, rich or poor, *everyone* has a voice.

But, as things stand today, we run the risk of the international trade agenda evolving *outside* the WTO – and therefore that a large part of the membership will simply not be part of it. They will have no say in the shaping of the trade negotiating agenda, which may leave behind issues that are critical to them and that can only find adequate resolution in a multilateral forum.

We need to think about how we can allow WTO members to have a voice – to be drivers, not passengers or mere observers.

So, as you consider the future of our negotiating work, I would ask you to remember two things.

First, while we have not yet managed to conclude the Doha agenda, the issues that we have been negotiating all this time have not gone away. They have not been resolved. Those issues are still very much alive. They are still a problem of today's world – not of yesterday's world, of *today's* world – and they must be addressed. They cannot be swept under the carpet.

Second, we should learn the lessons of our recent past – particularly the success of Bali. We learned in Bali that if we want to be successful we have to be inclusive. If we want to be successful we have to be flexible.

The Trade Facilitation Agreement was successful for exactly those reasons. That Agreement allows members to participate in a way which is commensurate with their capacity. It allows members to decide individually how quickly they take on commitments and, more than that, whether they need assistance to implement them.

We must apply those principles now in setting the agenda – and in the subsequent conversations we may have.

As in Bali, we have future-defining moments ahead of us.

There are important issues still on the table which will support growth and development, and decisions which will determine the forward path of global trade negotiations.

As we prepare for this work, I think we should recall the spirit in which this organization was founded 20 years ago.

It represents our best instincts:

- the desire to cooperate,
- to resolve problems with discussion – not conflict, or protection and retaliation,
- to take down walls – not build new ones,
- to ensure that everyone – even the most powerful – are bound by common rules, and that the poorest are given the help they need to compete,
- to work together for the benefit of all.

These are high ideals. And like in every form of human endeavor, we don't always live up to them. We fall short again and again. But we keep striving to do more – and to do better.

We saw in the Paris Agreement that seemingly unbridgeable gaps can be closed if the political will is there. And we saw this two years ago in Bali.

So I invite you all to engage over the next few days with an open mind and with your eyes on the future.

I invite you all to roll up your sleeves and get to work.
