

WTO General Council 7. May. Agenda item 7. Statement by Norway.

Thank you Chair,

Thank you for this opportunity to present the Communication in document WT/GC/W/770/Rev.2 from Norway, Iceland, New-Zealand, Singapore and Switzerland entitled "Pursuing the development dimension in WTO rule-making efforts". I am delighted to confirm that Canada, Hong Kong China and Mexico have announced that they are co-sponsoring the paper.

This organization faces serious challenges in all three pillars; the dispute settlement system, the follow up of existing agreements, and the negotiating pillar. This paper is related to the last pillar and is motivated by deep concern about our collective difficulty in achieving multilateral results.

The paper focuses on trade and development, including special and differential treatment, not because we see this issue to be the only reason behind members' difficulties in the negotiating pillar, but because this issue is one of the most important and challenging issues that influences members' deliberations on most issues under negotiation.

This issue has represented a challenge for the membership for a long time. But recent exchanges on this matter have strengthened Norway's view that there is an urgent need to explore alternative approaches. The negotiating track is in danger of deadlock, with potentially serious consequences for the rules-based multilateral trading system based in the WTO.

Unless we find a way forward, we will not be able to deliver results on any multilateral negotiations. Our aim with this paper is to promote - and hopefully stimulate - an open, pragmatic dialogue on how we collectively accommodate the development dimension in current and future negotiations. We need to focus on what commitments members are ready to take on and how S&D could be designed to address the development challenges members are facing in each area under negotiation.

Chair,

Development is at the heart of the WTO, and special and differential treatment is one of the fundamental principles embedded in WTO agreements.

Special and differential treatment is an instrument to enable development through trade, to make trade an “engine for development”. At the same time S&D is an important element in our common search for a negotiated balance of rights and obligations. Properly designed S&D should play a constructive role in promoting both the progress of the multilateral trading system and the sustainable development of the developing members within it.

The paper highlights a number of examples of how development concerns have been accommodated in various agreements. Many more examples could have been highlighted. The secretariat has produced a comprehensive compilation in document WT/COMTD/W/239.

The examples demonstrate that special and differential treatment takes many forms and covers the entire range of WTO Agreements. From the principle of non-reciprocity in GATT part IV, to the creative and innovative approach agreed to in the Trade Facilitation Agreement. It should be noted that not all of the examples provided are explicitly labelled S&D in the agreements, but since the legal architecture in those cases allow for the accommodation of development concerns, these examples are relevant as well.

The examples are not meant to be exhaustive, nor are they blueprints to be copied in the future. However, they serve as an inspiration and as lessons we may draw on when negotiating new rules that also accommodate the development dimension.

So while the principle of S&D is firmly embedded and should not be put into question, there is not one single pre-defined operational S&D modality that can be applied horizontally to every subject under negotiation. What is practical and possible in one area may not be practical or possible in another area. We cannot predefine the result of a negotiation. It has to be negotiated, and it has to be negotiated in a specific context. It cannot be negotiated in the abstract.

Chair,

While working on this paper, we have engaged extensively with other members, and we are grateful to all members who have engaged with us in a very constructive way. Generally, we have found that members share our fundamental concerns and wish to search for pathways out of the current situation. Some questions and concerns have been raised as well. Please permit me to comment on a few of those.

One recurring question has been whether we argue for a case-by-case approach. Interestingly, members seem to have quite different views about what a case-by-case approach actually entails.

Some express concern that they may end up being left alone in providing documentation of their needs for S&D and having to defend their interests in something that resembles a request/offer process with all other members. We have also heard concerns related to the legal certainty of S&D provisions, that is whether access to agreed S&D provisions may be conditional.

I can assure you that this is not what Norway intends. There is nothing in the communication to the General Council that should be interpreted as suggesting that Norway is proposing some kind of request/offer process or that access to agreed provisions have to go through some kind of notification and question/answer process of approval.

As I have already emphasised, the paper underscores the great variety in form and content of S&D provisions members have negotiated in the past, and that is what we should foresee for the future as well. For us the point is that S&D should be crafted and operationalized depending on the area under negotiation.

The paper does not suggest any fundamental change in the way we negotiate. Members will of course continue to be free to create alliances and collaborate with other members with similar challenges and shared interests and ambitions. No changes to existing agreements are proposed.

Chair,

The fundamental point is that multilateral results cannot be pre-defined. Results have to be negotiated – not in the abstract, but in relation to the specific and concrete subject under negotiation.

Let me also point out that the paper expresses doubts about the usefulness of negotiating a set of objective criteria for access to S&D. However, LDCs represent a separate category, and there is consensus that the special treatment of LDCs should be maintained. Norway's view is that any other attempts at categorization are not likely to achieve consensus and risk distracting the membership's energy and attention away from what really matters.

What really matters is what commitments members are ready to take on and how S&D could be designed to address the development challenges members are facing in each area under negotiation. Development concerns have been addressed in many different ways in the past. Norway invites members to seek inspiration from this experience as WTO members engage in current and future negotiations. There is a lot at stake.

Thank you.