

**Informal Consultation between the Trade Committee and Civil Society Organisations
and the 132nd Session of the Trade Committee
23-24 October 2001**

The OECD Trade Committee affords the opportunity for a wide-ranging exchange among senior trade policy officials of OECD Member countries and several observer countries on key trade policy and trade developments. It held its 132nd Session on 24 October 2001 in Paris. On the preceding day, the Trade Committee met with representatives of Civil Society Organisations (CSOs) and exchanged views on links between trade and sustainable development.

The third annual informal consultation between the Trade Committee and representatives of CSOs (including BIAC and TUAC) provided a renewed opportunity to share CSOs' perceptions and contributions to the public debate. This year's consultation theme was "To Doha and Beyond" with a focus on trade and sustainable development. Many CSOs and labour representatives stressed the issues of trade and environment and core labour standards, which in their view are insufficiently addressed in the multilateral trading system. Representatives from business organisations emphasised the fundamental nature of sustainable economic growth for promoting freedom of choice, poverty alleviation, environmental protection and societal benefits. A large part of the discussion was devoted to the necessity to respond favourably to the legitimate needs of developing countries and support their integration efforts through capacity building, improved market access and strengthened multilateral trading rules to support their sustainable development. Delegates of the Trade Committee shared with CSOs their information about the state of play in the preparatory process in the lead-up to the WTO Ministerial Conference in Doha and underscored their preferred approaches to the agenda for a new round of multilateral trade negotiations.

CSOs made several suggestions for future analytical work by OECD. In particular, studies were proposed on: adjustment in the textile and clothing industry prior to the scheduled phase out of quantitative restrictions by the end of 2004; indicators of development that would cover social as well as economic dimensions; case studies on trade policies that support sustainable development; export processing zones; and alternative trade dispute settlement systems. Business organisations noted the positive contributions played by recent OECD publications seeking to strengthen the constituency for trade and investment liberalisation, e.g. the Policy Brief "Open Services Markets Matter". The Chair stressed the importance of Delegates considering how these work proposals should be followed up.

During the formal meeting of the Trade Committee, Delegates unanimously recognised the positive contributions of these annual CSO consultations. Participation of national CSOs was found to be particularly useful as it brought out specific national perceptions and realities that might be overshadowed during dialogue exclusively with internationally based CSOs. Many Delegates noted the greater degree of shared perceptions, compared with earlier CSO consultations, and the genuine spirit of seeking pragmatic solutions. Unlike at the consultations held twelve months earlier, there was no CSO questioning the need for broad-based WTO negotiations.

An important focus of the 132nd session of the Trade Committee was the discussion on the state of play in the lead-up to the Doha Ministerial Conference. The Chairman offered his summary of the state of play stressing the areas where there are remaining gaps to be bridged for securing the launch of a new round of multilateral trade negotiations. The Draft text of the Ministerial Declaration, prepared by the Chairman of the WTO General Council Mr. Stuart Harbinson, which is the basis of ongoing consultations, was found to be a valuable focus for discussion. Issues upon which divergent views still prevail are largely centred on agriculture, implementation issues affecting developing countries, trade and environment, trade and investment, trade and competition, trade related intellectual property rights, and whether WTO rules are identified specifically in the agenda or as a generic issue. The Chairman also noted that consensus was building for a separate Declaration on Access to Drugs.

Nevertheless, many Delegations noted that the Draft text contains fewer controversial points than the draft text examined during the lead-up to the Seattle Conference. Renewed calls were made to adopt pragmatic approaches during the remaining time before Doha for minimising the number of unresolved issues that Ministers will have to deal with. Delegations were informed that Mr. Harbinson's revised Draft text would be available before the end of the week, along with a separate declaration on Access to Drugs.

Trade Delegates were invited by the Canadian Delegation to reflect on the systemic impact of the 11th

September attacks on the international trading system and submitted a multifaceted proposal of work in this area. The Trade Committee asked the Secretariat to gather up relevant materials, in consultation with other Directorates, for a discussion at the January Working Party meeting and then at the next Trade Committee meeting in February. Part of the meeting was devoted to an exchange of views on the structure and content of the report to be submitted to the Ministerial Council Meeting 2002 on ongoing efforts in OECD to promote greater coherence between trade and development co-operation policies. Delegates gave a series of examples of trade work and activities that could be stressed in the report and called upon the Secretariat to prepare the report in consultation with the Development Co-operation Directorate (DCD). It was also agreed that Delegates of the Development Assistance Committee (DAC) would be invited to take part in a "common reading" of the Doha final Declaration at the February Trade Committee meeting.

Trade Delegates were also invited to reflect on the generic trade issues arising from the OECD High Level Meeting on Steel held last September. At that meeting, Member countries agreed to consult with their domestic industries on concrete action leading to the reduction of inefficient capacity and to report back to a second meeting scheduled for mid-December 2001. The Trade Committee Delegates will return to these generic trade issues in early 2002, when the results of the second High Level Meeting are known.

Finally, Delegates were informed of the outcome of the OECD Roundtable on the "Interface between Central and Sub-national Levels of Government in Russia's Trade Policy" held in Vladivostok on 11-12 October which attracted over 120 participants. They were also informed about the current state of planning for a policy meeting on the economic and business environment for trade in services in the Baltic States, to be held in Tallinn, Estonia on 13-14 December 2001.

Trade Delegates expressed their appreciation to Mr. Robert Newton, who has served as Chairman of the Working Party of the Trade Committee.

The Trade Committee will hold its next meeting on 26-27 February 2002. The meeting will be followed by a half-day meeting of the Joint Group on Trade and Competition on 28 February 2002. For the latter meeting, the Co-Chairman of the Joint Group, Mr. Charles Bridge, reminded Trade Delegates that this meeting had been scheduled back-to-back with the next Trade Committee meeting to facilitate their participation in the Joint Group.