



**OECD GLOBAL FORUM ON TRADE:**

**WORKSHOP ON THE DEVELOPMENT DIMENSIONS OF THE SINGAPORE ISSUES**

*in co-operation with APEC and  
the Government of Hong Kong Special Administrative Region of China*

Hong Kong, China  
19 - 20 June 2002

**CONCLUDING REMARKS**

ON A PERSONAL BASIS

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Chairman of the OECD Trade Committee \*

# Closing Remarks by Mr. Luzius Wasescha

Chairman of the OECD Trade Committee

- Thanks to Hong Kong, China to have offered hospitality and to APEC to have substantially contributed to the organisation of this workshop.
- I am very pleased to have heard from such a large number of participants that came from different backgrounds: diplomacy, trade and development, members and non-members of OECD – capital-based representatives, negotiators from Geneva and delegates from Paris as well as representatives from some of the key institutions that have made the integration of developing countries into the global system one of their major undertakings. In all, more than 80 participated in what turned out to be a very lively and instructive exchange of views, including participants from some 13 non-OECD countries. I believe that as a result of this meeting we have gained a much better understanding of the nature of developing country interests and apprehensions while also addressing tangible ways in which those apprehensions can be allayed. It was particularly gratifying to hear one developing country participant say that as a result of our discussions of possible negotiating modalities, his comfort level had been raised. This, my friends is bridge-building in practice.

## THE BROAD CONTEXT

We need to see the Singapore Issues in the broad context of globalisation. Globalisation is a multifaceted process that describes economic and social forces that have produced rapid growth in world trade, even faster integration of the world's financial markets, and the spread of international production networks. One important consequence of these developments is that economies of vastly different levels of development are being drawn together through more extensive trade and investment flows. This is the growth dynamic of globalisation which implies ever-increasing economic feedback from developing, least developed and transition economies to OECD countries and vice versa, strengthening the links between these countries and enhancing the prospects for economic growth. While trade and investment linkages between OECD economies remain predominant, the ties that bind countries at different stages of development are closer today than ever before.

- Rapid growth in trade depends on constructing not only strong trade links with other countries, but equally importantly strong investment links that encourage the absorption of new production and managerial techniques, and improve international competitiveness. It is thus unsurprising to find that the same developing and transition economies that were able to attract the bulk of FDI were the ones that hosted most dynamically enterprise to enterprise or intracorporate production sharing arrangements, and which experienced the most impressive increases in their shares in world trade.
- Economic globalisation is being paralleled both by the multilateral trading system of the WTO and by regionalism. Provisions in Regional Trade Agreements (RTAs) dealing with investment, competition, trade facilitation and government procurement commonly go beyond provisions in the WTO or, in the case of government procurement, adopt provisions substantially similar to those of the WTO Agreement, but include countries that are not parties to that Agreement. Moreover, in "going beyond", RTAs often do so in a way that allows considerable flexibility of application – allowing participating

countries to scale regional ambitions according to their particular circumstances and at a higher level than would be possible on the multilateral level.

- We have heard that regional approaches can complement the multilateral system and there are features of such approaches which might usefully be drawn upon in seeking a stronger multilateral framework. This complementarity arises from the way RTAs tackle issues directly referred to in the Doha Declaration; their ambition in going beyond the WTO; their promotion – as in the areas of investment and trade facilitation – of convergence towards an implicit or explicit international standard; their provisions for flexibility of application, around commonly agreed rules and principles; or their harnessing of new technology.
- But regionalism cannot substitute for the multilateral trading system (MTS). Anchoring the Singapore issues through rulemaking in the multilateral trading system will serve the interest of all economies, especially the small economies. Due consideration has to be given to the interaction of any new rules for the Singapore issues to other instruments in the WTO. Rule making is not a give and take exercise but rather a win/win device for all members.
- Within the MTS, the dispute settlement function of the WTO supplements its rulemaking role by emphasizing the willingness of governments to abide by the defined disciplines. It seeks to ensure that all trade conflicts are resolved harmoniously within the agreed rules which provides added security and certainty to all those engaged in international trade. The initiation of a dispute settlement case is not an unfriendly act, but a legitimate tool to defend one's interest. Generally its consequences are beneficial to all members. Simultaneously, the reinforced character of the dispute settlement system has led parties increasingly to seek mutually agreed solutions to their disputes, thus offering an additional, less costly avenue for smaller countries to assert their position. Imagine a world where we did not have such a forum. Whose interests would be compromised? Whose interests would be served by such a situation? I leave you to find the answers.
- Whatever the future outcome of the Doha negotiations will be, the rapid changes in the world economy will continue. To adopt a position of status quo therefore means that the gap between the MTS and economic reality will be broadened.

## **THE SINGAPORE ISSUES**

- The potential of the Singapore issues has to be evaluated under the four general objectives of multilateral trade negotiations:
  - Improve market access
  - Strengthen rules and disciplines
  - Enhance coherence
  - Contribute to a better integration of developed and least developed countries as well as countries in transition.
- Clearly, the Singapore issues differ in the nature of their impact on trade, in the nature of the obligations arising, in the way they are treated in the WTO and in the extent to which countries may be prepared to accept strengthened multilateral disciplines.
- The Singapore issues share however common characteristics, of which two are especially prominent. First, these issues appear on the agenda because their relative relevance has increased as traditional impediments to trade in the form of tariffs and quotas have been reduced. Secondly, they are an

integral part of the movement toward trade rules for “deep integration” (*i.e.* the harmonisation and extension of rules throughout the membership of the WTO).

- The four issues are sometimes considered to be “new”. The four issues are indeed “new” only with regards to the long list of WTO issues, which are part of the WTO Acquis since the creation of the WTO on 1<sup>st</sup> January 1995.
- It is however useful to note that the founding fathers of the multilateral trading system already identified investment and competition as part of the System in the Havana Charter in 1946. The fundamental principles of the multilateral trading system (non-discrimination in all its forms and transparency) certainly are key to the exploration of the four issues: investment, competition, public procurement and trade facilitation.
- With regard to investment, the multilateral trading system, as strengthened in the Uruguay Round, has already incorporated “trade-related investment measures” (TRIMs) into the legal framework of the WTO.
- The TRIMs Agreement prohibits such measures under the umbrella of non-discrimination (GATT 94, Art II), national treatment (GATT 94, Art. III) and under the prohibition of quantitative import and export restrictions (GATT 94, Art. XI). It enshrines the jurisprudence of a GATT panel of the sixties (Foreign Investment Review Act panel, US-Canada).
- With regard to competition, there are links with the TRIPS Agreement as intellectual property rights are part of competition policy laws. The TRIPS Agreement furthermore has a section that deals with restrictive business practices.
- Trade remedies in the area of antidumping are also linked with competition policies. Many WTO delegations are of the view that a WTO agreement on competition policy would be an efficient tool to reduce the number of antidumping investigations. This, of course, depends on the substance of a future agreement in this field.
- Transparency in public procurement is already part of the plurilateral agreement on public procurement, which has, at this stage, 28 members. Work in public procurement started in the GATT in the Tokyo Round, on the basis of preparatory work provided for by OECD. Transparency, non-discrimination and access to an independent legal review mechanism at the national level are the corner stones of the plurilateral agreement.
- Trade facilitation is an ongoing activity in many fora, which evolves in parallel with progressive liberalisation of goods and related services. The following WTO instruments have the potential to facilitate trade, notably by simplifying procedures through international standardisation: Agreements on rules of origin, preshipment inspection, customs valuation, technical barriers to trade, sanitary and phytosanitary prescriptions, TRIPS, GATS and GATT 94, Art. V (Transit) VIII (customs procedures) and X (transparency).
- The so-called new issues are therefore neither fully new in a historical nor in a GATT/WTO perspective. Investment, competition and public procurement nevertheless need to be anchored in the WTO with core-agreements to extend the multilateral rules-based system to the needs of an increasingly integrated world economy. For trade facilitation, an agreement under the auspices of the Council on Trade in Goods might suffice. In all cases, implications for the right to regulate by sovereign states will need to be carefully considered.

## TRADE AND INVESTMENT

### *A few key figures*

- FDI flows have increased more than five fold since 1990, whereas exports grew by 50 % over the same period.
- But more than 80% of the recipients of these inflows, and more than 90% of the initiators of the outflows were located in developed countries.
- And, even among non-OECD countries, FDI flows are spread very unevenly with two-thirds of total FDI flows going to Asia and Latin America. 70% of FDI to non-OECD countries goes to ten countries.

### *Economic aspects*

- Developing and emerging economies have come to see FDI as a source of economic development and modernisation, income growth and employment. They have liberalised their FDI regimes and pursued policies to attract investment.
- At the same time, this trend has been accompanied by the spread in the use of investment incentives, at a high cost, and various operational measures such as performance requirements.
- Economic issues for a possible multilateral framework on investment (MFI) include how to avoid cross-subsidisation, to ensure competition is the norm and that monopolies are the exception. There is therefore a link between investment and competition.

### *Legal aspects*

- Some of the points which were made:
  - Five WTO agreements currently have investment-related provisions: TRIMs; GATS; anti-dumping and subsidies; TRIPs and the plurilateral Agreement on Government Procurement. Considerations of how a MFI would interact with other WTO instruments has to be further considered.
  - An increasing number of RTAs deal directly with investment. Together with restrictive rules of origin these may lead to investment diversion.
  - There has also been an accelerating pace of rule-making in the form of Bilateral Investment Treaties (BITs). Currently there are 1941 such BITs, two-thirds of which have been signed since 1990.
  - The result is a patchwork international investment framework.
  - Nonetheless there is an apparent convergence of investment rules, designed to attract FDI and to protect investors.

### *Policy aspects*

- Since the Singapore Ministerial, a WTO Working Party has been studying the relationship between trade and investment. It was charged in Doha to focus on the clarification of seven issues: scope and definition; transparency; non-discrimination; modalities for pre-establishment commitments based on a GATS-type, positive approach; development provisions; exceptions and balance-of-payments safeguards; consultation and settlement of disputes.

- In Doha, the case was recognised for a multilateral framework to secure transparent, stable and predictable conditions for long-term cross-border investment, particularly foreign direct investment that will contribute to the expansion of trade.
- The DDA, in what some consider to be an unclear text and others recognise as the inevitable result of reaching a political compromise -- as for the other Singapore Issues -- agreed to negotiations "on the basis of a decision to be taken, by explicit consensus at the Fifth Ministerial Session on modalities of negotiations".
- A number of key questions were raised during our discussions, that will each warrant ongoing analysis:
  - How could a future MFI address the observed marginalisation of developing countries and particularly the LDCs in FDI flows? Or, in other words, how can the concerns of investment protection addressed in most BITs be complemented with measures to promote investment?
  - How could an MFI ensure governments continue to exercise their sovereign rights to regulate in order to achieve public policy objectives, such as environmental, social and safety standards?
  - How does business perceive the potential benefits of a more coherent, unified system under the WTO, as opposed to the existing patchwork approach?
  - Should a MFI also address the movement of labour, as do commitments under GATS mode 4?
  - Have sufficient elements been identified to justify Doha negotiations to embark on the elaboration of an MFI?
  - How could a possible MFI allow for flexibility? Does the "development-friendly" GATS provide a model? Should there be possibilities for opt-outs (a plurilateral approach)? Or for progressive opt-ins, i.e. a multilateral approach with transition clauses?
  - Could there be an incremental approach by focussing on core elements, e.g. to increase transparency, predictability and stability? Could sectoral exclusions be allowed?
- In the end, many participants underscored that the decision to negotiate an MFI will involve trade-offs with market access questions, e.g. in agriculture, industrial tariffs and services.

## **GOVERNMENT PROCUREMENT**

### *Figures and economic aspects*

- Government procurement is an area of great economic interest. It may account up to 15% of GDP.
- More than 80% of international public procurement are covered by the plurilateral WTO Agreement (GPA).
- With ongoing structural changes in governments, decentralisation and devolution, and the steady expansion of social services, the total amount of public procurement as a percentage of GDP is likely to increase or at least keep constant in the years to come.
- Although recent studies show that the effects of transparency and due process on the openness of public procurement markets are ambiguous (they seem to reduce, rather than increase, foreign participation in domestic public procurement markets – which is on average around 3% in EU) there is no doubt that transparency in government procurement is good for the domestic market and public money: it is demonstrated that:
  - improved policies can provide more goods
  - transparency attracts investment by lowering investor risk and reducing operating costs

- risks of corruption are lowered
- On the other hand, putting in place more transparent procedures and introducing procedural guarantees may entail considerable costs and put under strain the institutional capacities of developing countries.

#### *Legal aspects*

- International disciplines include the plurilateral Government Procurement Agreement (GPA). The GPA is not limited to transparency and due process but includes non-discrimination and access to court requirements. However it currently covers only 28 WTO Members although more are in the process of accession.
- The proposed agreement on Transparency in Government Procurement would come under the WTO single undertaking. It would cover issues like procurement methods; publication of information on national legislation and procedures; information on procurement opportunities, tendering and qualification procedures; minimum time periods for responding; information on qualification decisions and on contract awards; and the availability of domestic (administrative or judicial) review procedures.
- Issues addressed at this workshop included: what entities should be subject to transparency provisions (incl. whether local and municipal authorities or state-owned enterprises should be covered)? under which criteria (thresholds or others) should transparency obligations be triggered and procurement methods chosen? how to define qualification and evaluation criteria? should WTO transparency-in-government-procurement provisions be subject to the WTO dispute settlement mechanism?

#### *Policy aspects*

- The appropriateness of negotiating a WTO agreement on transparency in government procurement is controversial among developing countries. Several of them argue that such an agreement would serve to force upon them market access obligations that they are not ready to assume. It was claimed that limiting the discussion to transparency issues will assist the operations of developed country enterprises while keeping developed markets shut to developing country firms.
- While not contesting the importance of transparency and due process in enhancing the efficiency of national public procurement some participants at the Forum deny that the issue needs to be submitted to international disciplines, especially where they would be accompanied by a binding dispute settlement mechanism.
- It has been stressed that, with respect to aid-financed procurement, the issue of tied-aid and the obligation of client countries to partly finance themselves a procurement over which they have no say as to the choice of the supplier is a very serious problem. However, with a less frequent utilization of tied-aid schemes, the importance of such a problem is declining.

## **TRADE AND COMPETITION**

#### *Some key background facts*

- A growing number of developing countries are putting into place competition laws with competition authorities and enforcement mechanisms. Nonetheless today only about 90 countries have competition laws in place; some other countries have competition policies to regulate economic activities in certain sectors.

- Often the more recent RTAs, concluded or being negotiated, have included provisions on competition.
- Competition policy is generally recognized as a necessary complement to trade liberalization.
- As competition law is only exercised within the confines of a national territory, economic globalization has created new challenges in combating anti-competitive practices of global activities.
- Curbing effects of hard core cartels has become a universal problem – the effects in terms of price-fixing, bid-rigging and market sharing activities are felt round the world.
- Bilateral voluntary agreements for co-operation between competition authorities are a possible avenue of co-operation, but they are few in number and generally between developed countries only. In some cases, precisely where important trade interests are at stake, they do not always function well.
- Empirical evidence shows that damage inflicted by hard core cartels is not negligible; one estimate is that one set of 14 investigated cartels affected products representing 7% of developing country imports, or 1.2% of developing countries' GDP.

#### *Developing country concerns and possible modalities*

- Some developing countries have expressed concerns that a possible Multilateral Framework on Competition (MFC) might impede their policies to promote small firms or use industrial and development policy instruments more generally. They felt a need for sufficient space for progressivity and flexibility to pursue active development policies. Imposing competition laws has a high cost, due to the use of a rule-of-reason approach and sophisticated economic analyses. Some expressed uncertainty about actual realization of benefits from a multilateral co-operation agreement.
- South Africa's experience with revamping their competition law in 1998 demonstrates its adherence to the core principles set out in the DDA. Concerning transparency, competition hearings were open and decisions were published. In terms of due process or procedural fairness, the three-tiered system of Commission, Tribunal and Appeals Court allows for appeals and other requirements of due process. Non-discrimination is a more difficult core principle, the coverage of which has not yet been decided in WTO discussions. The South African competition law applies to all firms doing business in South Africa, both state and private enterprises; exemptions are only allowed after being justified on specific public interest grounds.
- A number of competition-related provisions already exist in various WTO Agreements. Therefore at least one general approach might consist of identifying and consolidating these provisions. For example, understandings could make clear that, e.g. provisions related to national regulation in GATT Art. III: 4 and GATS Art. VI also applied to competition regulations. Developing parallelism in addressing regulations on goods and services would be useful – perhaps based on the GATS due to its use of the firm as a unit. As well, a number of other provisions in GATT and GATS could be interpreted to extend to competition-relevant concepts, including the possibility of requesting commitments from trading partners on competition issues.
- It was suggested that if we were to have an investment agreement, competition regulations might be relatively easy to build into such an agreement, due to its likely approach of addressing entities or firms. In another area of importance – that of co-operation agreements to share information among competition authorities – one could envisage requesting another WTO Member to schedule a commitment to enter into a voluntary co-operation agreement; that is, institutionalizing under the WTO scheduling arrangements a limited “comity” approach.

- On the other hand, a comprehensive or Big Bang approach on competition could also be envisaged, where a multilateral framework set forth a full range of negotiated competition provisions, including on the core principles. Members would be allowed to sign on when ready in terms of their national legislation. A note of caution was urged in terms of ensuring under such an approach that existing provisions under the GATT or GATS which were already competition-relevant not be watered down.
- Discussion focused on the reticence by the proponents of a MFC to have individual competition cases reviewed under such a Framework. Instead several speakers proposed a peer review process as an alternative to dispute settlement review of individual cases under a MFC. Some felt that the modalities of such a review might be onerous and still needed to be thought through. One participant stressed the possible coexistence of peer reviews and dispute settlement.
- Other participants emphasized that their competition policy was new and they were still working to enhance coherence between trade and competition policies. In this context, they wished to emphasize the need for voluntarism not only in co-operation agreements but also to ensure sufficient flexibility, such as possible 'opt-outs' or GATT-type progressive commitments approach.
- From the perspective of a stronger multilateral rules based trading system, an agreement on competition would constitute an important step forward.

## **TRADE FACILITATION**

### *The economic impact*

- The importance of trade facilitation is accentuated by certain features of the global economy:
  - Increasing amounts of goods and services moving across national borders
  - The resulting need to move inputs fast from door to door and within predictable time limits
  - Today it may be faster to transport a product around the globe than to clear it through customs
  - Evaluations of the cost of inefficient border procedures vary. If we go by the most conservative ones (2% of total world trade) this can represent an important additional burden, neutralizing some of the past tariff reductions and damaging competitiveness. Participants in the forum made the point that it would be useful to undertake an impact study to assess the consequence for developing country competitiveness of not adopting trade facilitation measures.
  - Anecdotal evidence shows that facilitation measures can really bring rewards: the 5 million USD cost incurred by Chile to overhaul their Customs system is reported to have been re-couped in less than a year through reduced clearance times and increased revenue collection.

### *Strengthening and co-ordinating disciplines*

- Because they are so crucial in their everyday operations, businesses address trade facilitation issues independently of any negotiating process and its inevitable slowness. But global businesses would nevertheless be highly appreciative of any advances in this field in the context of multilateral trade negotiations
- The point was made that trade facilitation is not just about border formalities. It involves a series of other issues, such as reform of related services (transport, cargo handling, port management, etc.), infrastructure issues, and human resources and institutional management. It is necessary to simplify procedures and reduce obstacles without losing necessary information or compromising on safety and security.

- Because trade facilitation goes beyond formalities it may not always be cheap and easy to implement. Recent upgrading programmes in the EU involved 135 million euros over a period of six years and similar costs were incurred in other developed economies despite the fact that these countries already have a satisfactory basis of skilled staff, good infrastructure and advanced technology.
- Among the major concerns of developing country participants at this workshop was the lack of resources to automate and modernise customs with appropriate equipment, as well as the need to upgrade human and institutional resources, train customs officials and identify the most satisfactory procedures for a given context. Most importantly, there was a call for flexibility in introducing trade facilitation rules that take account of countries' development levels, resource endowments as well as policy priorities (the way some regional initiatives have done).
- International rules in the area of trade facilitation already exist. They include the WCO Kyoto convention, the IMO FAL Convention, the work of UN/ECE, UNCTAD and a number of standards for business and border documents. A possible WTO agreement covering only the three GATT Articles under review according to the Doha Declaration might be limited but could nevertheless be a very important first step forward. It is not clear whether the outcome of the WTO process should be an amendment to existing articles, an understanding about their interpretation or something more ambitious. It was suggested that an incremental approach allowing countries to address less complex issues first (such as documentation simplification) before proceeding to more ambitious items (such as ED) might be a promising way forward.
- The involved actors at the international level are also numerous, including IGOs, and the private sector. The recent UN/ECE Forum on trade facilitation has called for a workshop of all involved players to devise a roadmap for concerted action.
- Nobody contested the importance of trade facilitation. A road map stemming from a round table of all actors involved was considered a useful contribution for the priority setting of governments.

## **CAPACITY BUILDING**

- WTO is neither a development institution nor should it be pushed to assume such a role. Three things that the WTO can do, and is doing, to promote economic development comprise: 1) continue to liberalise trade; 2) strengthen and augment rules in a development friendly way; 3) provide technical assistance in areas where the WTO has a distinct comparative advantage.
- In practical terms, what needs to be done? We must:
  - Decentralise amongst agencies
  - Address the South-South dimension
  - Train the trainers
  - Develop coherence and consistency across agencies and between policies
  - Match the provision of technical assistance and capacity building with the real needs of recipients and target that assistance to those who need it most.
- This can best be done through a strategic approach at a national or regional level.
- And, country ownership is critical.

- Capacity building is a long term process, as several participants highlighted. Consequently, it was pointed out, in order to succeed, capacity building assistance must be predictable, stable and adequate in terms of level.
- We must be able to measure what has been done and the results achieved. The OECD is engaged in a major effort with the WTO to build a database on technical assistance that will track demand and supply of technical assistance efforts globally.
- Let us not forget that active participation in negotiations is the best tool for capacity building.
- I will now turn to technical assistance and capacity building in two of the specific areas we have been discussing: trade and investment and government procurement.

#### *Trade and investment*

- The need for enhanced support for technical assistance and capacity building in developing and least-developed countries was recognised in the DDA.
- We have heard that such capacity building should include development of a clear, pre-negotiating understanding by developing countries of the benefits of, as well as implications of, closer multilateral cooperation.
- The question arose as to how best to articulate the real needs of developing countries for technical assistance and how to include specific development objectives, based on rules.

#### *Government procurement*

- Among the developing countries that are not opposed to international disciplines on transparency in government procurement, the need for technical assistance to enhance the institutional capacity of developing countries has been strongly stressed. Institutional capacity and professional expertise is paramount in achieving efficient management of the procurement process and it is very scarce in most developing countries.
- Among the concerns expressed by developing country representatives in the room with respect to capacity building, were the following:
  - The necessary expertise to manage efficiently the procurement process may be scarce, in particular at the local level in developing countries and even in OECD-countries.
  - The regular publication of procurement opportunities can be costly. Although e-procurement may reduce such costs considerably, Internet capacity is not always widely available in developing country administrations. If e-procurement is the only publication means it may even amount to reverse discrimination in favour of foreign suppliers because of low Internet-penetration among local businesses.
  - Countries where procurement-related regulation is adopted at the sub-federal level consider it is extremely costly to even publish applicable regulations.
- The ITC is leading a series of projects to assist countries in introducing efficiency, cost-effectiveness and accountability in their procurement systems. Information about best practices and approaches in problem-solving can also be valuable in enhancing capacity.

- To narrow the gap between procurement policies of GPA members and other WTO members, a multilateral agreement on transparency in government procurement is desirable.

## **FOLLOW UP**

- It is my view that this meeting has shed much light on many of the complex issues that lie behind each of the Singapore topics. As the chair of the Trade Committee, responsible for organising this event, I am gratified that we had the opportunity to exchange views in an informal, candid way. I thank you for your participation and for sharing with us your views. I will take them with me to Paris to discuss them with the Trade Committee. It is my personal belief that future meetings in the context of the Global Forum on Trade could most usefully focus on deepening our understanding of trade and competition and trade and investment policies and also issues related to special and differential treatment and capacity building in general.
- In addition, a second forum on trade facilitation may be held next year under the auspices of the UN Economic Commission for Europe.
- In terms of analytical output, the Trade Committee will be engaged in studies directly relevant to the Singapore issues in the Framework of the Doha Development Agenda. For example, we will seek to help the process in Geneva, by:
  - Looking at the WTO architecture of investment-related provisions in five different WTO agreements [GATS, TRIMs, TRIPS, ASCM and the GPA] as a first step in understanding how a multilateral framework on investment might co-exist with existing WTO agreements;
  - Clarifying how the core principles of transparency, non-discrimination and procedural fairness could be applied to a multilateral agreement on competition;
  - Looking at country best practices in the area of transparency in government procurement;
  - Identifying cost elements in border procedures so as to help countries better target trade facilitation measures.

## **FINAL WORDS**

- I take with me four key messages:
  1. All countries – developed and developing – have a stake in the Singapore issues.
  2. Flexibility is needed on behalf of all players.
  3. Though we can draw lessons from experience at the regional level, RTAs cannot substitute for the multilateral trading system.
  4. So, the treatment of the Singapore issues should be anchored to the WTO rules-based system; standing alone with no parallelism in the WTO, they will widen the gap between their advocates and other WTO Members.