

Seminar on
The contribution of organised civil society to the work of the WTO:
in search of better governance

SPEECH

by

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Presidents,
Ambassadors,
Ladies and Gentlemen,
Friends,

I would like to start by saying how pleased I am to welcome you all to the new headquarters of the European Economic and Social Committee. I would like to extend a special welcome to our friends and colleagues from the countries of Africa, the Caribbean, the Pacific, the Euro-Mediterranean partnership, Latin America and Asia who have come to Brussels to meet their European partners and the spokespersons of the institutions represented here.

Both personally and on behalf of the Committee, I feel that this meeting today is of great importance. It is in line with my priorities as president and continues the work of the last 24 months. At the start of my term-of-office, I set a number of priorities including the fight against poverty and the involvement of the EESC in the search for better governance.

The Committee has tackled this task both multilaterally and regionally. In December 2002, we held a conference in Brussels on Human Rights in the Workplace to which many delegates present here today were invited. The Committee has also drawn up an opinion entitled *For a WTO with a human face* which includes several of the recommendations on today's agenda which seek to improve recognition of the needs and requirements of developing countries and to increase transparency and civil society participation in the work of the WTO.

Another multilateral aspect of our work has been the decision to draw up an opinion on the social dimension of globalisation in answer to both the European Commission communication and the report produced by the ILO's World Commission.

At regional level, we have entered into discussion on these issues in various contexts. The EU-India civil society round table discussed human rights in the workplace. I would like to point out that Mr Vohra, Indian co-chairman of the round table, is with us here today.

In the framework of the 3rd meeting of EU-Latin America-Caribbean civil society held by the EESC in Mexico City in April 2004, we adopted joint recommendations on social cohesion, in cooperation with several Latin American and Caribbean delegates present today.

In the context of relations with our African, Caribbean and Pacific partners, we have on several occasions discussed the role of civil society, the promotion of social dialogue, the fight against poverty and, at the request of the European Commission, we are preparing to draw up an opinion on the social dimension of regional partnership agreements.

I would like to express the hope that this two-day seminar will mark a new stage in the commitment of the Committee and its partners to the search for global governance. At this point, and without wishing to pre-empt the conclusions which will be drawn after the three working sessions

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ahead of us, I would like to mention some ideas which have arisen from previous meetings and the Committee's work and which, I hope, may guide your discussion. These ideas concern sustainable development, the interests of developing countries, the democratisation of international society and regional integration.

1. For sustainable development and a necessary balance between economic, social and environmental issues

The Committee has repeatedly stated its belief that free trade should not be an end in itself but rather an instrument for sustainable development. We agree that trade development promotes global economic growth and that this growth makes a fundamental contribution to prosperity via wealth creation. However, this growth must be framed in such a way that it is sustainable and socially responsible.

We therefore call for sustainable development, that is, development based on three pillars: economic, social and environmental.

It must be admitted that there is an imbalance in the current process of globalisation and that economic rules and institutions carry greater weight than social and environmental rules and institutions.

These economic rules are expressed in particular through the activities of the World Trade Organisation whose role and importance continue to grow. This is due to the fact that the WTO is required to deal with an increasing number of trade-related subjects as well as social issues - I refer here to the useful debate on collective preferences launched by my friend, Commissioner Lamy. It is also due to the WTO's uniquely effective disputes settlement system.

I fully appreciate the fundamental role played by the International Labour Organisation, with which I worked for a number of years. However, it must be recognised that, despite progress accomplished and reforms undertaken, the ILO lacks the means to ensure that its recommendations are effectively implemented.

Once again, I would like to stress the need for cooperation between the WTO and the ILO, in particular for the ILO to be granted observer status at the WTO and for coordination between these two organisations.

The situation is still more critical as regards the environment. With the exception of multilateral agreements on the environment, which lack effective implementing instruments and whose compatibility with WTO rules is debatable, there is no global environmental organisation. This is why we are calling for the establishment of an international environmental agency.

2. **For increased recognition of the interests and views of developing countries**

Over recent years, economic growth, resulting partly from international trade liberalisation, has enabled many countries to make substantial progress. However, some 50 countries are still included on the list of what are commonly termed "the least developed countries", for whom special provisions must be introduced without delay.

Moreover, even in those countries that have experienced substantial economic growth, a large proportion of the population has not reaped the benefits of this development. As an example, we have only to look back to the discussions at the Third Meeting of European Union, Latin American and Caribbean civil society organisations and particularly our conclusions on the theme of social cohesion. In this context, we must not forget that inequality and poverty represent a potential threat to democracy, peace and economic development.

Furthermore, developing countries do not have sufficient opportunities to express their views within international organisations. Although the UN principle of one country, one vote, applies at the WTO, it is strikingly obvious that the majority of developing countries, with the exception of the largest and most powerful among them, do not have the means to participate fully in trade negotiations or to defend their interests. Progress has been made, in particular thanks to the European Union's action in multilateral and regional fora, but much remains to be done.

The adoption of the Doha Development Agenda and the agreement reached in July are certainly steps in the right direction, particularly as far as the implementation of special and differential treatment and the recognition of the specific needs of developing countries are concerned. However, I should like to stress, firstly, that it is vital to go much further in supporting the poorest countries and secondly, that it is essential to make distinctions between developing countries, particularly between emerging economy countries and those which persistently lag behind.

3. **For a democratisation of the international community and greater participation of civil society**

Many criticisms have been levelled at the lack of democracy in the global regulation system. Here, I should like to stress what I see as two key aspects.

Firstly, it is vital to strengthen the democratic control exercised by elected members of parliament. A system of this kind already exists in a number of regional settings, including ACP-EU relations. Similarly, in relation to the specific issue that concerns us today, we also welcome the initiatives taken, particularly by the European Parliament, aimed at bringing a parliamentary dimension to the work of the WTO.

Secondly, however, it is vital to enhance civil society's participation in the various international organisations, including the WTO.

The Committee has made a number of recommendations to this effect and this seminar's third working session will enable us to discuss them together. However, at this stage, I should like to applaud the steps which the WTO has taken to make its work more accessible. The European Commission's move to open the monitoring of trade negotiations to the scrutiny of European civil society organisations should also be applauded.

I think a good deal remains to be done, but I also believe that in this area it is now up to civil society to make constructive recommendations rather than simply demands.

4. **For regional integration as a springboard for governance at global level**

A number of experiments in regional integration are currently in progress across the world. The European experiment is clearly the furthest advanced and is seen by many as a laboratory of governance. Indeed, at European level we have successfully introduced democratic control via the European Parliament, guaranteed active participation by civil society and integrated a social and environmental dimension into our policies. The implementation of the Lisbon strategy represents a new phase in this process. Of course, our model is far from perfect and can still be vastly improved but I believe that for many it remains a source of inspiration.

I observe from the experiences in both Latin America and Africa that the process of regional integration may serve as an initial stepping stone to better governance. It is far easier to integrate the social and environmental dimensions of development and promote the principle of participating in democratic responsibility at regional than at global level. In this context, the European Union has a vital role to play in using its own experience to encourage these processes and foster their development. The EESC and its counterparts within the EU also have an important role to play in supporting the creation of other nationally or regionally-based councils or similar organisations. In this context, the creation of the Mercosur Foro Consultivo can serve as an example for all of us.

Lastly, I should like to make an appeal for this seminar to produce practical and constructive proposals as to how we can institute a regular and constructive dialogue on the issues of international trade and governance. Together, we already form a sizeable network linking, on the one hand the European ESCs and their various component or associated organisations, and on the other, the ESCs and the many national and regional socio-occupational organisations across the world, with which the EESC has structured relations. Although it certainly has no pretensions to exercising a monopoly, there is no doubt that this network forms a growing nucleus of organised civil society at global level.

I should like to cite the report of the World Commission on the Social Dimension of Globalisation, which emphasises that: "*The potential for a more participatory and democratic system of global governance lies today more in the future evolution of these expanding networks of people and institutions, rather than in blueprints for world government or institutional re-engineering*".

Let us be ambitious as well as realistic, for we all have a role to play and responsibility to assume in the search for better governance.

Thank you for your attention.
