



Cancun and beyond:

Sustainable development and the international trading regime

Successful pursuit of more progressive elements of the WTO work-programme at Cancun will demonstrate that multilateralism is alive and well. However, the WTO is clearly a quite inappropriate institution for tackling many of the problems of unsustainable development. While shifting its agenda to place sustainable development at the core, the WTO must also recognise the need for other institutions to operate fully within their own areas of expertise – and create the space for them to do so.

Economic and political turmoil, such as we experience today, tends to lead us to retreat into the institutions that we already have, and makes longer-term and more visionary thinking difficult. But it is precisely *when* we are faced with such turmoil that the need for more innovative thinking is most urgent.

WWF has long argued that sustainable development – rather than a particular economic orthodoxy – should be put at the heart of international decision-making. The WTO is no more the root of all problems arising from globalisation than it is the answer to them. If we were able to accept that trade policy was simply another tool for the delivery of sustainable development then we could perhaps put aside once and for all the uninteresting and counter-productive debate about whether trade is ‘good’ or ‘bad’. We might then acknowledge that there are many areas in which the WTO cannot – and should not – intervene.

The rationale that the WTO is the ‘only show-in-town’ and that we should therefore burden it with a list of New Issues – investment, competition, government procurement and trade facilitation – is wrong-headed: Especially when it is far from clear how Agreements on these issues would promote sustainable development, and when many WTO Members have neither the expertise, capacity or appetite to deal with these. Far better for the WTO to focus on those issues where there is clearly scope for particular trade policies to be used for promoting sustainable development – beginning with the most pressing concerns of developing-country Members.

But what of the more fundamental change that is needed if international economic policy-making is to be pressed into service to deliver sustainable development? In particular, we need more progressive governments to build new initiatives on, for example: indicators of successful economic well-being other than GDP; frameworks for sustainable investment – addressing investors’ obligations alongside their rights; approaches to dealing with scientific uncertainty, whilst safeguarding these against protectionist abuses; ways to make environmental and economic governance regimes supportive of one another.

NGOs are not alone in recognising the need for such initiatives. Nor are they alone in recognising that the WTO cannot deliver them. More progressive governments are waking up to alternatives. If pressure to expand the WTO work-programme serves to stifle the possibilities of addressing these issues in more appropriate forums – and thus frustrates the

more progressive hopes of a minority – then the meeting will have failed.

What openings does Cancun present to address these concerns? Progressively-minded governments should use the opportunity presented by Cancun to launch new initiatives which point the way to the use of the trading regime as a tool to deliver more sustainable development. WWF urges such governments to use their plenary statements, their interventions in working groups and their communications materials to:

- Assert that sustainable development – rather than a particular economic orthodoxy – should be put at the heart of international decision-making and international institutions.
- In this context, to demand progress on those aspects of the WTO work-programme which will support such development – through reform of agricultural and fishing subsidies, for example.
- But, just as importantly, recognise that the WTO is ill-equipped to deliver on many other crucial areas of policy – it is unforeseeable, for example, that a framework for truly sustainable investment will emerge from negotiations at the WTO. In recognising this, it is important that WTO Committees – such as the Committee on Trade and Environment – are mandated to identify areas where space should be afforded to other institutions to engage effectively on these areas of policy.
- Encourage the emergence of new constellations of actors who are willing to move ahead – beyond the constraints of the multilateral WTO process if necessary – to develop innovative solutions to the problems we face in achieving sustainable development.

WWF is hosting a meeting to further debate on these issues. *The WTO and beyond – Cancun, multilateralism and sustainable development* will be held from 12:00 to 15:00 at the NGO Centre, Hotel Sierra, Av. Kukulcán Km. 10, Zona Hotelera, Cancún on Wednesday 10 September. For more details, see: www.panda.org/trade

