Statement by His Excellency Archbishop Silvano Tomasi, Permanent Observer of the Holy See to the United Nations and Other International Organizations in Geneva at the General Council of the World Trade Organization

Geneva, 7 December 2015

Mr. President,

My Delegation wishes to extend its sincere gratitude to you, Mr. Chair, for convening this meeting and providing me with an opportunity to share our views on current WTO issues. I also join other delegations in thanking the Director General of the WTO for his comprehensive report this morning on various areas of our common concern.

Mr. President,

The Holy See is confident that, in Nairobi, a sense of responsibility and solidarity with the most disadvantaged will prevail, so that narrow interests and the logic of power will be set aside. In this regard, in his recent address to the U.N.O.N., Pope Francis affirmed that “while recognizing that much has been done in this area, it seems that we have yet to attain an international system of commerce which is equitable and completely at the service of the battle against poverty and exclusion. Commercial relationships between States, as an indispensable part of relations between peoples, can do as much to harm the environment as to renew it and preserve it for future generations.”¹ It must not be forgotten that the vulnerability of rural areas, if they are denied access to the market, has significant repercussions on the subsistence of small farmers and their families.

The Holy See recognizes the benefit of an equitable and participatory multilateral system of trade relations directed to attaining and developing the common good. A spirit of solidarity among all countries and peoples should replace the ceaseless competition that aims to achieve and defend privileged positions in international trade. Protectionism too often favours already privileged segments of society. Effective multilateralism, on the other hand, is an inclusive process which acknowledges that at the core of all social and economic relations, and hence of trade relations, is the human person, with inherent dignity and inalienable human rights. Therefore, a rules-based trade system or, better yet, a fair system of trade rules is indispensable. It is no coincidence that as the rule of law in trade has spread, average tariffs have fallen

¹ Pope Francis, Address to U.N.O.N., Nairobi, 26 November 2015.
dramatically. In fact, they have been cut in half. Average applied tariffs were 15% in 1995. Today they stand at less than 8% and trade volumes have more than doubled.

This Organization provides a forum for policy dialogue and information sharing, where members can monitor each other’s practices and regulations to ensure that agreements are being observed. This process of monitoring trade policies, underpinned by a clear system of common rules and obligations, was pivotal in ensuring that the financial crisis of 2008 was not followed by an outbreak of protectionism as we saw in the 1930s. Multilateralism has a development value. In this twentieth year of the WTO, we should seek to strengthen multilateral trade. The GATT/WTO has played an important role in strengthening multilateralism. It has promoted an inclusive and open rules-based and non-discriminatory trading system and it has contributed to rapid economic growth. The legal and policy framework of the WTO remains a bulwark against protectionism. For those who cynically question the effectiveness of the WTO, we should ask them why is it that over 30 new Members, now accounting for approximately 20% of the WTO membership, acceded since 1995? The WTO has contributed to the enhanced welfare in these Members and to growth in the global economy.

In his last Encyclical Letter, Pope Francis reminded us that: “inequity affects not only individuals but entire countries; it compels us to consider an ethics of international relations. A true ‘ecological debt’ exists, particularly between the global north and south, connected to commercial imbalances with effects on the environment, and the disproportionate use of natural resources by certain countries over long periods of time.” Therefore, a fair system of trade rules should be shaped according to the level of economic development of the Member States and give explicit support and special and differential treatment to the poorest countries. When the levels of development of the members are excessively unequal, the consent of the parties may not be sufficient to guarantee the justice of their agreement: “trade relations can no longer be based solely on the principle of free, unchecked competition, for it very often creates an economic dictatorship. Free trade can be called just only when it conforms to the demands of social justice.” Moreover, the question of justice in today’s trade rules is problematic because such rules tend to grant more privileges to those who possess more economic power.

A fair system of trade rules is an international public good that can play a major role in the promotion of sustainable development and the alleviation of poverty such has been recognized in the United Nations’ 2030 Agenda for Sustainable Development. Without a fair system of trade rules, vulnerable people in many developing and developed countries will be “locked in a poverty trap”. This approach is in line with

2 Pope Francis, Laudato Si’, § 51
3 Pope Paul VI, Populorum progressio, § 59.
the concern to put the human person at the centre of any development and trade strategy, recognizing that only by promoting individual’s capabilities, by enabling every person and every social group to make the most of the opportunities created by trade liberalization, will it be possible to implement a truly mutually beneficial fair trade. Opening access to new markets offers a real opportunity for developing countries and is an important element of the development process; however, it is not per se a sufficient condition for lifting countries out of poverty. The international trading system should guarantee a true partnership based on equal and reciprocal relations among rich and poor countries. Free trade is not an end in itself but rather a means for better living standards and the human development of people at all levels. The Doha Development Agenda in this sense represents a significant multilateral attempt to trade and development interests of those developing Members so as to heal the imbalance codified in the rules.

Mr. President,

In conclusion, the Delegation of the Holy See reiterates its hope that the consensus reached on the proposal of extension and non-violation complaints at the TRIPs Council, over the past weeks, represents an important sign by the World Trade Organization in preparation for the next Ministerial Conference. The Holy See Delegation remains confident that a sense of common responsibility, as shown in the decisions adopted, will bring us to reach an historic result in Nairobi. In this regard, before the Assembly of the UNON, last Thursday, the Holy Father expressed his desire that: “the deliberations of the forthcoming Nairobi Conference will not be a simple balancing of conflicting interests, but a genuine service to care of our common home and the integral development of persons, especially those in greatest need”. In the context of a “family of nations” those countries economically more developed can provide assistance that will allow for attainment of the development which corresponds to our shared human dignity. Precisely because people have been endowed with the same extraordinary dignity no one should be reduced to living without the benefits of trade.

Thank you, Mr. President.