

DDG Ellard urges support for multilateral trading system amid geopolitical challenges

Deputy Director-General Angela Ellard, speaking at the 54th session of the European Parliament's Committee on International Trade in Brussels on 20 February, urged parliamentarians to rally behind the multilateral trading system amid mounting geopolitical challenges. In her address, she outlined the organization's negotiating priorities ahead of the WTO's 14th Ministerial Conference in March 2026 and emphasized the need for stronger global cooperation to navigate current geopolitical tensions. Her full speech is below.

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Good morning, Chairman Lange, esteemed Members of the European Parliament, and the Steering Committee of the Interparliamentary Union.

It is a privilege to be here with you today. I have a deep appreciation for the complexities of your work and the pivotal position you occupy in bringing together international institutions with the public you represent.

As Parliamentarians, your engagement on WTO matters is essential — not only for shaping trade policy but for ensuring that our work delivers real and meaningful benefits to the public. Parliaments serve as the voice of the people in global trade discussions, and your leadership is crucial in making multilateralism both effective and responsive to the needs of your citizens.

Today, as the WTO marks its 30th anniversary, and its 80th beginning as the GATT, I will focus on two pressing topics. First, I will describe the negotiating priorities outlined by the WTO's Members as we gear up for the 14th Ministerial Conference, scheduled to take place in March next year in Cameroon. Second, I will touch upon the broader geopolitical context — a subject that I know is front and center.

Fish

Let me begin with a subject that is especially important to showing the success of the multilateral trading system for economic and environmental sustainability: fisheries subsidies. One of our Members' most pressing priorities is to ensure the entry into force of the Agreement on Fisheries Subsidies, while also advancing and completing the negotiations on the second phase, to achieve even deeper disciplines. These efforts are vital to protecting our oceans and promoting sustainable fishing practices worldwide.

The landmark WTO Agreement on Fisheries Subsidies concluded at MC12 in 2022 brought WTO Members a major step closer to fulfilling the SDG 14.6 mandate by prohibiting subsidies to fishing activities considered to be among the most harmful to the sustainability of our oceans. It is estimated that USD 22 billion of harmful fisheries subsidies are provided each year. Through this Agreement, WTO Members have banned such subsidies provided to vessels involved in illegal, unreported, and unregulated (IUU) fishing, fishing of overfished stocks, and fishing in the unregulated high seas.

IUU fishing accounts for approximately 20% of the world's catch, depleting global fish stocks. Moreover, the FAO estimates that almost 38% of global fish stocks are overfished, and by some

measures, the devastation is even higher. The AFS can help to reverse this significant and worsening loss of natural resources.

However, the full potential of the Agreement will be realized only once it enters into force, which requires the acceptance of two-thirds (or 111) of WTO Members. To date, 90 Members have deposited their instruments of acceptance, bringing us within striking distance of our goal — we need just 21 more.

I would like to sincerely thank the European Union for being among the first to accept the Agreement. In addition, generous contributions by the EU and its member States to the Fish Fund will support developing and least-developed Members with the implementation of the Agreement if they have deposited their acceptances. We are so close to entry into force but not quite there yet. I strongly urge you to continue your leadership by encouraging and helping those who have not yet formally accepted the Agreement to do so as soon as possible. And for those here today from the IPU Steering Committee who have not deposited, please count on the WTO Secretariat to help you any way we can. We are aiming for the entry into force of the Agreement before the Third UN Ocean Conference (UNOC3), taking place in June in Nice, co-hosted by France and Costa Rica. The need to get this done is urgent, and we are counting on everyone to work to meet the goal.

The second priority related to fisheries subsidies is concluding the second wave of negotiations on additional disciplines.

At the WTO General Council meeting last December, it was clear that nearly all Members, with the exception of just a few, were ready to conclude the negotiations based on the most recent draft text circulated last November (TN/RL/W/285). While some Members have noted that the disciplines are not perfect, they still acknowledge the substantial value of the current package in curbing subsidies that contribute to overcapacity and overfishing. However, those Members that do not support the text have expressed fundamental differences.

While no agreement is perfect and every Member may have aspects they wish to modify, it is in everyone's interest to achieve an outcome. If Members fail to do so, the absence of disciplines on overcapacity and overfishing will mean continued deterioration of fish stocks for everyone. We are at a tipping point.

We remain committed to bringing this second wave of negotiations across the finish line and will continue to rely on the constructive engagement of those present here today to make this a reality. Urgent action is needed for both economic and environmental sustainability.

Dispute Settlement

The second priority is reforming the WTO's dispute settlement system to ensure that WTO rules remain meaningful for the benefit of all Members.

At MC12 in 2022, WTO Members committed to having “a fully and well-functioning dispute settlement system accessible to all Members by 2024” and reiterated this objective at MC13 last year. This deadline has passed, and Members are currently working to establish a path forward. I wish to thank the European Union and others in this room for their constructive stance and continued engagement in the reform process.

Following MC13, the reform of the DS system was formally advanced under the leadership of the Permanent Representative of Mauritius, who, together with six co-convenors at the expert level, worked to address outstanding issues. These included the topics of appeal/review, accessibility, and “works done thus far”. Since the departure of Mauritius' Ambassador in last November, the

General Council (GC) Chair continued to directly oversee the reform process, engaging with Members to gather perspectives on how to build upon the progress and further advance the reform.

The reform process has already resulted in several draft texts different areas. Notably, Members have developed an advanced substantive draft on “Capacity Building” and “Technical Assistance”. This is crucial for enhancing the technical support we provide to developing Members. While Members made strides in the discussions surrounding appeal/review, this remains one of the more challenging aspects of the reform, and further efforts are needed to resolve the outstanding issues.

I know that our Members are awaiting word from the United States as to its position. I remain hopeful that we will continue to make progress on this crucial work.

In the meantime, the WTO continues to serve as the primary forum for resolving international trade disputes. Eight disputes are currently ongoing, along with eleven active consultations. We have also observed an increase in negotiated solutions among Members, with the panel process often serving as a catalyst for these agreements. The dispute settlement work at the WTO remains robust.

Agriculture

Third, it is vital that WTO Members make progress on agriculture.

Agriculture is expected to be a central element on the MC14 agenda, especially because of its fundamental role in supporting food security and driving socio-economic development, particularly across the African continent. Consensus has remained out of reach as to the process and timeline for these negotiations. As the outgoing Chair of the negotiations outlined in his recent report (JOB/AG/265), rebuilding trust and setting credible targets is essential to progressively restoring an effective negotiating process and achieving an agricultural outcome in March 2025 in Yaoundé.

Plurilateral initiatives

The fourth priority is for Members to find a way to incorporate the results of plurilateral joint initiatives — the Investment Facilitation for Development (IFD) Agreement and the Agreement on E-commerce — into the WTO rulebook.

These plurilateral initiatives represent the opportunity for like-minded Members to establish new and ambitious rules among themselves and break new ground within the WTO framework. They co-exist with the concept of multilateralism and do not reduce any WTO rights for non-participants.

The IFD Agreement currently has 126 WTO Members as parties, including 90 developing and 27 LDC Members, as well as the EU. It aims to foster sustainable development by improving the investment climate through greater transparency and predictability and to facilitate investment flows, particularly to developing and LDC Members. The proponents of the Agreement seek to incorporate it into Annex IV of the WTO Agreement as a plurilateral agreement, with its benefits applied on an MFN basis to all WTO Members. Doing so requires consensus among our Members. However, a few Members have expressed opposition to its incorporation, citing systemic concerns and the impact on multilateralism. The proponents continue work to chart a path to integrate these important disciplines into the WTO rulebook.

Ninety-one WTO Members, including the EU, have concluded negotiations on the text of the Agreement on Electronic Commerce and presented it to the General Council the day before yesterday for incorporation into the WTO rulebook. The Agreement aims at enabling electronic transactions and promoting digital trade facilitation, ensuring an open environment for digital trade, and promoting trust in e-commerce. It also has provisions on cooperation and development. As with IFD, a few Members oppose on systemic grounds.

Multilateral work on e-commerce

In terms of multilateral work on e-commerce, engagement continues under the multilateral “Work Programme on Electronic Commerce”, as outlined in the MC13 Decision, to be completed by MC14. In January, we held a Dedicated Discussion on bridging the digital divide, focusing on infrastructure, connectivity, and internet access. Another session in February will explore legal and regulatory frameworks, including consumer protection, privacy, and cybersecurity. These sessions aim to share national experiences, delve deeper into key themes, and reflect on actionable ideas. The goal is to identify concrete steps and recommendations for Ministers' consideration at MC14.

Another critical decision point is whether to extend the moratorium on the collection of duties on digital transmissions, set to expire on 31 March 2026 or at MC14, whichever comes first. In December, we convened a dedicated information session featuring input from the WTO Secretariat, IMF, UNCTAD, OECD, and South Centre. The session aimed to review existing studies on the moratorium's impact, foster discussions on its scope and definition, and explore alternative taxation approaches. I encourage you to engage in an open dialogue and explore elements that could help establish a common ground to advance on this important issue.

Development

Each of these workstreams carries a strong development dimension, which remains a top priority for many of our Members, as developing countries make up two-thirds of our membership. Just a few weeks ago, WTO Members held a forward-looking retreat focused on leveraging trade as a tool for development and charting a path forward. We will build on this successful engagement in the lead up to MC14.

Geopolitical context

Members of Parliaments, I would be remiss not to say anything about the current geopolitical situation and its impact on trade. We live in tumultuous times — times when trade measures, and also countermeasures are announced and implemented within mere days, sometimes hours. The climate of uncertainty affects businesses that operate internationally and rely on supply chains spread across different corners of the world. Such volatility can disrupt economic stability, affect investment plans, and upset supply chains not only within Europe but across the globe.

It is in times like these that a stable and predictable trading environment, anchored by the multilateral trading system and the World Trade Organization, is more necessary than ever. We were established and designed to promote transparency, stability, and predictability in global trade. Over the past 30 years, the WTO — which an entity composed of its Members — has been working diligently to uphold these principles, to secure a business environment that fosters growth and cooperation. The WTO continues to cover 80% of global trade, which remains unchanged despite recent developments. No single Member dominates the system — not even the United States, which accounts for 15.9% of global trade.

Europe, with its commitment to open markets and a rules-based trading order, has been a cornerstone of the multilateral system and has long championed the cause of multilateralism and of a predictable trading environment.

However, let us remember that the multilateral system cannot be taken for granted. Its strength and effectiveness is not automatic; it depends on you, its Members. Our estimates indicate that a collapse of the trading order could result in a staggering double-digit loss in global GDP. And even the mere presence of uncertainty chips away at our collective prosperity, eroding welfare bit by bit.

That is why today, I appeal to you with an important reminder: the future of the multilateral trading system, and the WTO's role as a guardian of security and predictability in global commerce, is in your hands.

If you value the WTO, please help us deliver on the negotiating agenda I have just laid out.

If you consider WTO rules inadequate or imperfect, I encourage you to collaborate with other Members to strengthen and improve them.

If you think that your interests are being harmed by measures taken by other Members, I urge you to make full use of the WTO's platform — whether through our committees, bilateral consultations, or the dispute settlement system — to address and resolve these issues constructively.

And as you consider the application of your own trade measures, particularly in response to those taken by others, I urge you to remain level-headed and consider not just the immediate effects, but also the broader, long-term consequences, on consumers, industries, and the global trading system. And let us not forget the impact on developing countries — when elephants fight, the grass gets trampled. And that hurts the elephants too.

In a time when trade is increasingly disrupted by unpredictable and destabilizing actions, your support is crucial in ensuring that the rules-based system we've worked so hard to build endures, ultimately benefiting all.