

12th WTO Ministerial conference
Session on the challenges to the Multilateral trading system
Statement by the Russian Federation

Dear colleagues!

There is an evident consensus in this house regarding the importance of a truly multilateral trading system and the need to improve its governance.

Why does this consensus exist? Because history has taught us that there is **no** rational alternative. The architects of the GATT were guided by a central idea - that a durable international peace must be built on the foundations of progressive liberalization and economic interdependence. The principle of non-discrimination in trade would help to prevent the resurgence of the protectionist policies which increase political tensions. That was a vision centered on the rule of law built on consensus among nations, binding commitments and the settlement of disputes through procedures available to all and applicable to all. I'm convinced that the majority of us still consider these as basic values. The majority, but not all.

This is quite interesting how the tables have turned. Throughout our accession to the WTO we were lured by the promises of free trade, legal predictability, open and transparent rules-based multilateral trading system.

Let me list some of the things that we have seen from the proud flag bearers of liberalization and multilateralism.

Unilateral illegitimate sanctions in 2014. Illegal methods of dumping margin calculations. Appeals into the void of the disputes won by Russia. Unilateral tariffs imposed as one pleases on one Member or group of Members. New massive wave of politically driven trade restrictions in the current year. Division of members into groups depending of their like-mindedness. And threats of a massive discrimination of those who think differently.

All these measures have already caused severe disruptions to the global supply chains (which are still fragile after the pandemic) and drove up the prices of commodities, including food. What is even worse – uninvolved economies will also be struck by collateral damage of the so-called sanctions.

From Russia's perspective, **unilateralism, murky protectionism and the fragmentation of the system into trading blocks** are the **major challenges** facing the multilateral trading system today. They should not be tolerated as a “new normal”. The response to these challenges should be the core of the WTO reform but should not lead to demolition of the system.

It is disappointing that some Members prefer to push here their own political agenda instead of concentrating on the issues of the WTO's Mandate. In fact, it's their unilateral politically-driven trade restrictions that represent the true threat to the WTO.

You may expect me to warn you – do not buy aircrafts or high-tech products from the EU or the U.S., because there is a risk, they stop their service in case your governments' policies will not be supported in their capitals. However, I would suggest a different approach – develop a system of rules which will be efficient, enforceable and fair.

Thank you!