



G20 TRADE AND INVESTMENT

MINISTERIAL MEETING – OCTOBER 12, 2021

G20 MINISTERIAL STATEMENT ON TRADE AND INVESTMENT

- 1 We, the Trade and Investment Ministers of the G20, met on October 12 in Sorrento, Italy, under the G20 Italian Presidency to place trade and investment at the service of the People, the Planet and the global Prosperity and to strengthen the rules-based, non-discriminatory, open, fair, inclusive, equitable, sustainable and transparent multilateral trading system with the WTO at its core.
- 2 We reaffirm our active engagement to lay a solid foundation for a resilient, strong, sustainable and inclusive economic recovery and to mitigate the impact of the COVID-19 pandemic on international trade and investment by promoting a global and coordinated response. Despite the disruptions caused by the COVID-19 outbreak to the world economy, the multilateral trading system has been a source of stability and played an important role in helping to mitigate the impact of COVID-19 on people. While recognizing the importance of further strengthening global supply chains, making them more resilient, secure and sustainable and increasing production to meet demand, diversifying sources, we acknowledge the positive results that the multilateral trading system has achieved since the onset of the pandemic. We welcome that the WTO members rolled back more than half of COVID-19 trade restrictive measures and encourage them to continue to do so.
- 3 We reiterate our commitment to realize a free, fair, inclusive, non-discriminatory, transparent, predictable and stable trade and investment environment. We consider these times of challenge to present a major chance for a more sustainable, more equitable and more inclusive growth.

REFORM OF THE WTO

- 4 Recalling the Riyadh Initiative on the future of the WTO, we remain committed to working actively and constructively with all WTO Members to undertake the necessary reform of the WTO and we highlight the need to implement this commitment in practice through an inclusive and transparent approach including tackling the development issues.
- 5 While reaffirming the foundational principles of the WTO, we envision reforms to improve all its functions. We remain committed to strengthening its rulemaking arm by facilitating trade negotiations and fostering the update of the global trade



rulebook, and underscore the importance of the ongoing negotiations in the WTO. We recall that a well-functioning dispute settlement system of the WTO should contribute to providing security and predictability to the multilateral trading system. We will work together at the WTO and with the wider WTO membership to advance the proper functioning of the WTO negotiating function and dispute settlement system, which require addressing longstanding issues. We highlight that the correct implementation and monitoring of commitments are essential to maintaining the integrity of an effective multilateral rules-based system and therefore support and encourage enhanced transparency and dialogue among WTO members in a balanced and inclusive manner.

- 6 We commit to a successful and productive WTO 12th Ministerial Conference as an important opportunity to advance WTO reform to revitalise the organisation. We commit to active engagement in this work to provide the political momentum necessary for progress.

TRADE AND HEALTH

- 7 The pandemic has highlighted the importance of working toward enhancing timely, equitable and global access to safe, affordable and effective COVID-19 vaccines, therapeutics, diagnostics and personal protective equipment. We continue to implement the G20 Actions to Support World Trade and Investment in Response to COVID-19, in the spirit of international solidarity.
- 8 We recall the Rome Declaration made at the Global Health Summit in May. Our Leaders committed to promote the multilateral trading system noting the central role of the WTO and the importance of open, resilient, diversified, secure, efficient and reliable global supply chains across the whole value chain related to health emergencies, including the raw materials to produce vaccines, and for the manufacturing of and access to medicines, diagnostic tools, medical equipment, non-pharmaceutical goods, and raw materials to address public health emergencies.
- 9 We reiterate the importance that any emergency trade measures designed to tackle COVID-19, if deemed necessary, are targeted, proportionate, transparent, temporary, reflect our interest in protecting the most vulnerable, do not create unnecessary barriers to trade or disruptions to global supply chains, and are consistent with WTO rules. We will ensure that trade and investment actively contribute to strengthening and improving the resilience of these supply chains.
- 10 We will work actively and constructively with all WTO members in the lead up to the 12th Ministerial Conference and beyond to enhance the capacity of the multilateral trading system to increase our pandemic and disaster preparedness and resilience



by adopting a multifaceted response. Trade-related aspects of intellectual property rights, contributions to international efforts to expand production and delivery of vaccines, therapeutics and essential medical goods, diversifying manufacturing locations and fostering equitable distribution, trade facilitation measures, export restrictions, encouraging regulatory compatibility, are among the areas where our constructive engagement in the WTO, notably in the TRIPS Council, the Council for Trade in Goods, the Council for Trade in Services, and other relevant bodies and processes, can enhance global public health efforts.

SERVICES AND INVESTMENTS

- 11 We believe services have a major role to play as a channel of recovery, growth and economic diversification. We recognise the importance of sound, predictable and transparent domestic regulatory frameworks, as well as fulfilment of the GATS objectives, to develop the service sector, facilitate trade in services and reduce its costs.
- 12 While noting the persistence of digital divides and the challenges linked to the deployment of infrastructures in developing and least developed countries, we appreciate the positive impact that digitalisation had on global trade during the pandemic. We believe digital trade should be strengthened to sustain economic activity, promote development and open new opportunities to all our citizens and businesses for inclusive growth. We recall the Declaration of G20 Digital Ministers in August and G20 Riyadh Leaders' Declaration.
- 13 We recognise the importance of reinvigorating investment flows, notably towards developing countries. We reaffirm the value of improving open, non-discriminatory, transparent and predictable conditions that foster sustainable investment. We recognise that a conducive business climate and supportive trade and investment policies can mobilise investment for economic transformation needed to address the challenges of a rapidly changing global environment.
- 14 G20 participants in the Joint Statement Initiatives on E-Commerce, Investment Facilitation for Development and Services Domestic Regulation encourage and support the active participation of all WTO members in the initiatives and look forward to meaningful progress in the lead up to the 12th WTO Ministerial conference. Concerns have been expressed on rule-making by some G20 members that are not part of the JSIs.



GOVERNMENT SUPPORT AND LEVEL PLAYING FIELD

- 15 We will continue to work to ensure a level playing field to foster an enabling business environment and to support the integrity and sustainability of the rules-based multilateral trading system, as affirmed in Riyadh and in Tsukuba. We underscore the importance of fair competition, as we recognized in the context of the Riyadh Initiative on the Future of the WTO. Reducing trade tensions, tackling distortions in trade and investment, addressing supply chain disruptions and fostering mutually beneficial trade relations will be critical as economies respond to and recover from the COVID-19 pandemic. We reaffirm that structural problems in some sectors, such as excess capacities, can cause a negative impact.
- 16 Many G20 members affirm the need to strengthen international rules on industrial subsidies and welcome ongoing international efforts to improve trade rules affecting agriculture. Many of us highlighted agricultural subsidies and agricultural market access.
- 17 We recognise the importance of transparency of government support and WTO members meeting their transparency obligations. We reaffirm our commitment to fulfil those obligations and call on other WTO members to also do so.

TRADE AND ENVIRONMENTAL SUSTAINABILITY

- 18 We maintain the importance of the contribution of the multilateral trading system to promote the UN 2030 Agenda and its Sustainable Development Goals in its three economic, social and environmental dimensions. We reaffirm support to the UNFCCC and the Paris Agreement. We believe trade and environmental policies should be mutually supportive and contribute to optimal use of the world's resources in accordance with the objectives of sustainable development. We reaffirm that measures to combat climate change should be WTO consistent.
- 19 We support the ongoing WTO fisheries subsidies negotiations to reach a meaningful agreement by the 12th WTO Ministerial Conference with comprehensive and effective disciplines on harmful fisheries subsidies, in line with SDG 14.6, which would respond to the imperative of sustainability of our oceans, seas and marine resources.
- 20 We recognise the contribution of the WTO to the protection and preservation of the environment through its objectives of ensuring sustainable development, avoiding trade protectionism and unnecessary barriers to trade as well as safeguarding the multilateral trading system. We support the role of the WTO Trade and Environment Committee as the standing forum dedicated to dialogue between governments on the relationship between trade measures and environmental measures.



21 We affirm the importance of providing appropriate support to developing and least developed countries in order to help their national transition towards resource-efficient, sustainable, climate and environment-friendly development, enhance their resilience and better enable them to seize sustainable trade opportunities through Aid for Trade.

22 G20 participants in the Trade and Environmental Sustainability Structured Discussions and in Informal Dialogue on Plastic Pollution and Environmentally Sustainable Plastic Trade encourage and support the active participation of all WTO members in these processes.

MSMEs

23 We recognize the critical role that MSMEs play in our economies. Their role is important to meet sustainable development goals, notably the goals related to women empowerment, decent work and economic growth, industry, innovation and infrastructure, poverty eradication and reduced inequalities.

24 We recognize that global markets are an important source of growth for MSMEs as they stand to gain from the increased access to growing markets facilitated by our trade and investment agreements. Since MSMEs have fewer resources to engage in international trade, access to information in a user-friendly format is crucial. We highlight the importance of raising awareness and promoting the use of platforms facilitating MSMEs' access to information.

25 We recognize the different challenges faced by MSMEs in different countries, and notably in developing and least developed countries. We highlight the importance of strengthening MSMEs' capacity and strategic resources to become more competitive and more integrated into the global economy.

26 Recalling the "G20 Policy Guidelines on boosting MSMEs' international competitiveness", we note the Italian G20 Presidency's non-binding MSMEs Policy Toolkit.

WAY FORWARD

27 With a view to ensuring that international trade and investment can effectively contribute to global economic recovery at the service of the People, the Planet and the global Prosperity, we jointly recommend our Leaders to consider these important topics at the Rome Summit.

28 We thank international organisations for their contributions in our discussions and welcome further analysis to support the G20's work on trade and investment going forward.



29 We extend our gratitude to the Italian G20 Presidency for its determined efforts and leadership, we will submit this Statement to the G20 Leaders' 2021 Summit and will continue our cooperation towards Indonesia's G20 Presidency in 2022 and thereafter.