



The World Trade Organisation (WTO)

Accountability Assessment 2011/2012 Results

Summary briefing

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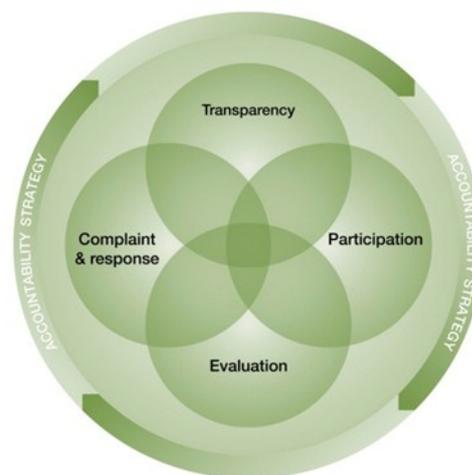


Introduction

This summary brief captures headline findings of the 2011/12 assessment of the World Trade Organisation’s (WTO) accountability capability using the *Pathways to Accountability II* framework¹. The assessment was carried out by the One World Trust as part of the One World Trust’s and London School of Hygiene’s joint ESRC funded project to research accountability of key global actors involved in global climate governance. Further detailed analysis will be released as part of the project’s research publications. For more information about the project see the last page of this briefing.

The *Pathways to Accountability II* framework measures organisations’ *capability to be accountable* to their stakeholders, including their ability to align their day to day practice with their commitments as expressed in organisational policy and strategy. It does so through assessing organisations’ global policies and management systems (those that are valid and applied across the organisation) with respect to the four dimensions of accountability which formed the core of the 2005 framework – Transparency, Participation, Evaluation, and Complaints and Response – and also reviews a fifth dimension, Accountability Strategy. This dimension was added to give greater weight to the importance of a conscious overarching approach to accountability. Further, the revised version of the framework contains a number of indicators that focus on quality assurance, effectively testing whether an organisation has mechanisms in place that allow it to keep track of its own performance in practice, and translate these findings into an organisational learning and improvement process.

Figure 1: The key dimensions of the revised *Pathways to Accountability II* Framework



The World Trade Organisation (WTO)

The World Trade Organization (WTO), the successor of the General Agreement on Tariffs and Trade (1947), was established in 1995 with the purpose of “open[ing] trade for the benefit of all.” The main functions of the WTO are to facilitate the implementation, administration and operation of multilateral trade agreements; provide a forum for trade negotiations

Box 1: Basic facts about the organisation

Organisational structure: Intergovernmental Organisation (IGO)
Members: 153 countries
Headquarters: Geneva, Switzerland
Number of employees: 640
Annual turnover: CHF 196 million
Website: www.wto.org

among members; administer the mechanism for resolving trade disputes (the Dispute Settlement Understanding); monitor members’ trade policies and practices; and provide technical assistance to developing country members. The WTO is also mandated to cooperate with the International Monetary Fund and the International Bank for Reconstruction and Development to achieve “greater coherence in global economic policy-making”.

At the headquarters level, the WTO is organised in divisions, three of which have responsibilities relevant to this assessment:

- Languages, Documentation and Information Management Division (LDIMD): This division is responsible, among other things, for ensuring official WTO documents (including the derestriction policy) are provided on the Internet in the WTO’s three working languages.

¹ Hammer, M.; Lloyd, R.; et al. (2011): *Pathways to Accountability II: The revised Global Accountability Framework*, London, One World Trust

- Information and External Relations Division (IERD): The IERD is responsible for “communicat[ing] information about the World Trade Organization to a variety of audiences.” The IERD also organises external stakeholder engagement activities such as the annual Public Forum, and works in close cooperation with its counterparts in other intergovernmental organisations. Finally, it is “responsible for official relations with WTO members”.
- Technical Cooperation Audit Division (TCA): The TCA Division “is responsible for ensuring ongoing monitoring and evaluation of all forms of technical assistance provided by the WTO. The division conducts on-site and ex-post evaluations and prepares an Annual Report for discussion at the Committee on Trade and Development.”

In addition, the assessment examines the policies of the Ministerial Conference, the WTO’s highest decision-making body, and the General Council, the organisation’s executive body.

Summary of findings

Overall, the WTO performs better on participation than on any other dimension of the framework. The organisation meets only some best practice principles in the dimensions of transparency and evaluation, and performs poorly on accountability strategy and complaints and response; the absence of policies for these last two dimensions constitutes a major weakness in the WTO’s ability to deliver accountability to its stakeholders. In general, the WTO performs similarly on management system as compared to policy indicators, and in the participation dimension even meets more good practice principles for its management systems than for its policy. None of the WTO’s quality management systems reflects best practice. Table 1 shows the WTO’s un-weighted scores for each individual dimension, and the total weighted total score, which is calculated as the sum of the weighted individual indicator scores. The narrative findings are outlined below.

Table 1: The WTO’s aggregate scores in each dimension

Ref. No	Dimension	2011 /12score (%)
1	Accountability Strategy	11
2	Transparency	33
3	Participation	42
4a	Evaluation	27
5	Complaints and Response	10
Total	Weighted Score	23.7

Accountability Strategy

Accountability strategy is a new dimension in the revised framework. Accountability strategies demonstrate organisations’ understanding of and commitment to their accountability relationships with their stakeholders and support their abilities to exercise leadership on accountability and related reforms.

The WTO does not meet best practice principles in terms of its accountability strategy. The WTO has not undertaken a systematic stakeholder mapping process, although the organisation does identify its stakeholders in various documents such as its founding agreement and its *Annual Report*. External accountability commitments made by the WTO are limited to standards pertaining to internal financial auditing and are not listed on the organisation’s website.

Transparency

Transparency is the provision of accessible and timely information to stakeholders and the opening up of organisational procedures, structures and processes to their assessment. An organisation that is transparent enables its stakeholders to monitor its activities and hold it to account for its commitments, decisions and actions. Being transparent helps organisations build trust among their stakeholders and avoid challenges of secrecy.

The WTO’s transparency policy exhibits some elements of good practice. Although it is grounded in the presumption of disclosure and exceptions are narrow and well-defined, there is a clause which enables Members to ensure that documents they submit as restricted remain so indefinitely.

The management systems supporting the derestriction policy however are mixed. The WTO meets the best practice standard for dissemination of commitments, but performs more poorly on the other indicators.

Participation

Participation is the active engagement by an organisation of both internal and external stakeholders in the decisions and activities that affect them. Best practice in this dimension means that stakeholders should have opportunities to influence decision making, and not just possibilities for approval or acceptance of a decision or activity. Participation strengthens ownership and buy-in for what organisations do by those they affect.

External Stakeholder participation

The WTO makes a commitment to engage with IGOs, NGOs and non-member governments. In addition, the WTO has produced a set of guidelines for engaging specifically with NGOs. However, the WTO does not make specific commitments about the way it will consult external stakeholders, and only internal stakeholders were consulted in the development of policy in this area. The WTO performs better on management systems than policy in this dimension, meeting the best practice standard for rewards and incentives, and coming close in the indicators for roles, responsibilities and leadership and stakeholder engagement in senior decision-making. The management system that needs the most improvement is that related to building staff capacity.

Internal Member Control

In terms of formal procedures, all members are represented at the Ministerial Conference and the General Council, all members can add items to the agenda, and all members hold an equal number of votes. However, one member can block amendments to some of the governing articles. In addition, the Green Rooms constitute an additional forum in which negotiations take place and to which not all members are guaranteed equal access.

Evaluation

Evaluation is the process through which an organisation monitors and reviews its progress against goals and objectives, reports on results, and feeds learning from this into future planning and practice. Evaluation ensures that an organisation learns from and is accountable for its performance.

The WTO has a policy on when and how it evaluates its technical assistance activities, but this is only one of the WTO's six main functions. Because of this, the WTO does not meet any best practice standards in this dimension.

Complaints and Response

Complaint and response mechanisms are channels developed by an organisation that enable internal and external stakeholders to file complaints on issues of non-compliance with the organisation's own policy frameworks or against its substantive decisions and actions, and which ensure that such complaints are properly reviewed and acted upon. Complaint and response mechanisms are accountability processes of last resort, but are an important way for organisations to demonstrate that they are serious about being accountable and interested in learning from their mistakes.

External complaints handling

The WTO does not have an external complaints policy, or any management systems in place. This constitutes a major weakness in the WTO's ability to deliver on its accountability commitments to external stakeholders.

Internal complaints handling

The WTO's internal complaints procedures meet only some good practice principles. The WTO has a policy under which staff (but not contractors) can complain about breaches of the WTO Standards of Conduct, and this policy provides important protections to whistle-blowers. The management systems supporting this policy, however, are very poor.

Key standards/codes of conduct the organisation commits to

The following table lists the key policies that reflect the WTO's main commitments to accountability towards its stakeholders, as well as, where applicable, any external standards/codes of conduct to which the organisation has committed itself. It is not exhaustive.

Table 2: Key policies and external standards the WTO commits to

Dimension	Policies
Accountability strategy	N/A
Transparency	Procedures for the Circulation and Derestriction of WTO Documents (2002)
Participation	Agreement Establishing the WTO Guidelines for Arrangements on Relations with NGOs Rules of Procedure for Sessions of the Ministerial Conference and Meetings of the General Council
Evaluation	Monitoring and Evaluation System for WTO Technical Assistance Activities
Complaints and response	Procedure for dealing with staff members complaints and grievances in the WTO Secretariat
External standards/codes	N/A

The organisation is currently not providing evidence on key reform processes that would in the future result in changes to its accountability performance as measured with the framework.



About the project

On a planet in which all countries and sectors are increasingly interconnected, climate change affects people and societies around the world and at all levels. Responding to the long term and complex impacts of climate change has emerged not only as an economic and technical problem, but also as a governance challenge at global level. Without equitable and accountable structures and processes of policy and decision making it will neither be possible to shape the consensus around key principles required for a joint global response to climate change, but the world will also fail in developing a long term vision for ensuring the sustainability of development.

For the years 2010 to 2012 a research team from the London School of Hygiene and Tropical Medicine and the One World Trust have come together for an ESRC-DfID funded project: *“Challenging the Development Paradigm: assessing accountability and equity of global institutions in climate-change governance responses to the poor”*.

In this three year research programme the team explores how global and national organisations who play an important role in responding to climate change-induced threats to poverty-alleviation and public health, are preparing themselves institutionally to meet these challenges. Specifically, it asks how these actors remain responsive and accountable to their key stakeholders, especially those poorest and most vulnerable to the impact of climate change, and seek to develop a conceptual framework in which the role and dimensions of accountability can be understood in the context of the governance and provision of global public goods and sustainable development.

The programme studies and engages with several of the key institutions that shape global policy and influence national response to climate change-induced threats to poverty-alleviation and public health, and connects these findings with national level realities through a country reference study. The specific organisations the research focuses on include the World Bank (IBRD), the World Health Organisation (WHO), the World Trade Organisation (WTO), and the UK’s Department for International Development (DfID) as a bilateral development agency with considerable global funding and policy reach. The project works in Ghana as the country case study.

Objectives

In broad terms the project works to the following objectives and phases:

1. Assessing accountability of global organisations
2. Exploring institutional preparedness and responsiveness
3. National responsiveness reference-study
4. Building concepts and theory for future research and policy

The partnership

This research brings together two specialist institutions: The **London School of Hygiene & Tropical Medicine**, with Dr Susannah Mayhew leading as Principal Investigator, contributes its expertise on policy analysis; poverty, vulnerability and climate change assessments; and methodological developments. The LSHTM has conducted climate change research for many years, and staff members sit on the IPCC. The **One World Trust**, led by its Executive Director Michael Hammer as chief collaborating partner, is one of the leading non-academic institutions working on accountability of global, state and non-state institutions, and accountability in policy oriented research and advocacy. Its work on measuring accountability provides the conceptual lynchpin for this research.