



Geneva WATCH

An overview of the bilateral, plurilateral and multilateral trade negotiations

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Plurilateralism Gaining Steam Again

With the difficulties facing the advancement of core Doha Development Agenda (DDA) issues, WTO Members are looking to settle for a minimalistic outcome in Nairobi that would mostly be centered around developing countries matters.

“Nairobi is the WTO’s first ministerial conference (MC10) to be held in Africa since the organization was created in Marrakesh two decades ago,” WTO Director-General Roberto Azevêdo said at a meeting of trade ministers from the African, Caribbean and Pacific Group of States in Brussels on October 21.

“This underlines the importance of delivering outcomes for development. But it will also be a milestone in terms of the future of the organization. What we deliver in Nairobi and the path that we follow after Nairobi will be crucial in determining the future role of this organization as a forum for trade negotiations,” he continued.

The future role of the WTO as a forum of trade negotiations is what will be at stake in Nairobi as none of the DDA’s tripod (Agriculture, industrial products market access –NAMA – and Services) will be fully addressed at the MC10. Members are already struggling to include some elements of the export competition pillar among the potential outcomes for Nairobi.

“Whatever we deliver in Nairobi, clearly it would not be viable, or credible, to announce it as a satisfactory conclusion of the DDA. So how do we take forward the outstanding issues after Nairobi?” Azevêdo asked in Brussels.

“There is a clear divergence among the membership on this point. It seems to me that all Members agree that the DDA core issues must remain on the negotiating agenda, such as agriculture, market access, and services (...) However there is no agreement on how these negotiations should take place: whether under the present Doha framework, or whether under some new architecture.”

Coalition of willing countries?

Because there is a clear recognition that issues pertaining to agriculture, NAMA and services will not go away, one of the ideas currently being explored is to address these questions under a different framework, one that would potentially de-link the negotiations from the Doha mandate.

The ideas here, some observers said, is to go with what has worked thus far for the organization, i.e. gather a group of like-minded countries willing to negotiate a plurilateral deal. The objective here would be to emulate the trade in services agreement (TiSA) which regroupes 23 WTO Members and is based on the WTO's General Agreement on Trade in Services (GATS).

Currently the TiSA coalition is represented by the so-called “Friends of Services” which includes both developed and developing countries. While the group is open to new Members willing to take part of the negotiations, it has refused those who want to link it to other parts of the DDA talks. Simply put, this coalition is built to avoid dealing with countries that insist on pursuing the talks under the Doha round framework (India, Brazil, China), or to put pressure on them to accept the talks’ requirements should they wish to take part of the negotiations.

China, which initially opposed TiSA, has since asked to join the group. The EU, which is favourable to China’s inclusion, sees that TiSA could be turned into a broader WTO agreement and its benefits extended beyond the current participants, if only enough WTO Members joined the group.

With its “either you’re in, or you’re out” approach, TiSA may provide the blueprint for what to do with the remainder of the DDA negotiations post-Nairobi. The US Ambassador to the WTO, Michael Punke, endorsed the idea which he said would make the WTO vibrant and dynamic once again. If in Nairobi, Members fail to come up with a clear work program for the remainder of the DDA, the plurilateral initiative may well set the new framework under which future WTO negotiations will be undertaken.

Geneva Watch is published by Dairy Farmers of Canada, Chicken Farmers of Canada, Egg Farmers of Canada, Turkey Farmers of Canada and Canadian Hatching Egg Producers to report on the various events occurring in Geneva, particularly on the WTO negotiations on agriculture.

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