

# Making Plurilateral Negotiations Support the Multilateral Trading System, WTO-PF #52, 30 Sep 2021



## Organizer

**Prof Raymond Saner, Univ. of Basel & co-founder of CSEND**

**An ECOSOC accredited trade & development NGO**

## Panelists

**Professor Peter Draper, School of Economics and Public Policy,  
Executive Director: Institute for International Trade, University  
of Adelaide, Australia**

**Mr Stuart Harbinson, former Trade Representative of Hong  
Kong to WTPO, Chief of Staff to DG Supachai and later Special  
Adviser to Pascal Lamy**

**Mr. Hamid Mamdou, ret. Former Head of the Services and  
Investment Division at WTO, now with King & Spalding, Geneva**

**Mr. Pradeep S Mehta, Secretary General, CUTS, Jaipur, India,  
Member CII international Trade Policy Council**





## AGREEMENT ESTABLISHING THE WORLD TRADE ORGANIZATION - 1/1/1995 Preamble

The Parties to this Agreement, Recognizing that their **relations** in the field of trade and economic endeavour should be conducted with a view to

**raising standards of living, ensuring full employment and a large and steadily growing volume of real income and effective demand, and expanding the production of and trade in goods and services, while allowing for the optimal use of the world's resources in accordance with the objective of sustainable development,**

**seeking both to protect and preserve the environment and to enhance the means for doing so in a manner consistent with their respective needs and concerns at different levels of economic development,**

**Recognizing further that there is need for positive efforts designed to ensure that developing countries, and especially the least developed among them, secure a share in the growth in international trade commensurate with the needs of their economic development, etc.**



# GATT/WTO Rounds of Negotiations



Year	GATT Round Negotiations	Countries
1947	1 <sup>st</sup> (Geneva)	23
1949	2 <sup>nd</sup> (Annecy)	13
1951	3 <sup>rd</sup> (Torquay)	38
1956	4 <sup>th</sup> (Geneva)	26
1960-62	Dillon Round	26
1964-67	Kennedy Round	62
1973-79	Tokyo Round	102
1986-93	Uruguay Round	123
2001-2021	Doha Development Agenda (unfinished)	153-164

Source: WTO webpage (<http://www.wto.org/>)



# FTAs vs WTO Negotiations

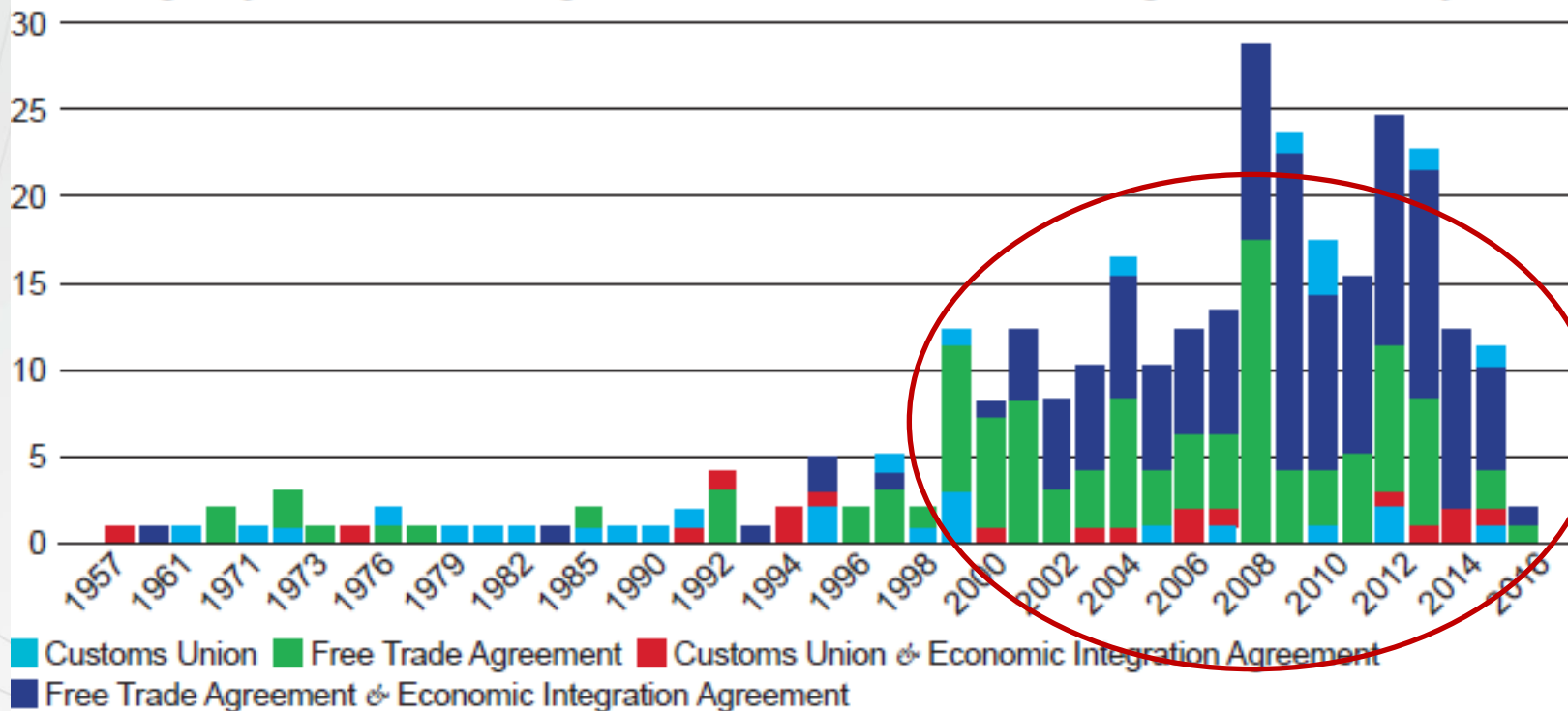
FTAs sometimes include topics that go beyond the scope of current WTO agreements like Investment, competition, labour and environment

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## *Proliferations of different forms of FTAs around the world*

*The collapse of the Doha Development Round in 2008 resulted a spurt in number of FTAs*



Source: Ministry of Finance, Gol

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# Plurilateral and Multilateral Agreements

- Plurilateral negotiation and plurilateral agreements are a sub-variety of multilateral negotiation where a minority of members of a multilateral body agrees to a deal which they hope will **be accepted by the rest of the members at a later stage (later multilateralization)** as was the case with the ITA (Information Technology Agreement).
- The *WTO Agreement* establishes a set of **disciplines related to plurilateral agreements**. However, the **link between plurilateralism and multilateralism needs to be analyzed from a legalistic as well as from a political perspective in order to delineate the linkages between the two kinds of negotiation approaches**.
- Plurilateral agreements can be concluded by 3 or more WTO members and cover trade issues that are labeled ***WTO plus, extra or minus meaning*** . They can be adopted **within** the WTO framework as well as **outside** the WTO context. Plurilateral trade agreements could be “**preferential**” agreements or agreements based on the **MFN principles**. The GPA for instance is in the WTO without MFN.



# Assumptions

- Conventional Trade Economists: Competition generates **new products & efficiency gains** and **global wealth** hence if WTO consensus decision making blocks competition, creating plurilaterals, FTAs and RTAs is justified
- Conventional Political Scientists: Global Wealth creation is not analysed based on **distribution of gains**, often the rich become richer and the poor and DCs are left behind
- Conventional Trade Officials from DCs: FTAs are biased towards industrialised countries, DCs and LDCs do not have means/resources to compete
- WTO Rounds: is **exchange of concessions** based on offensive and defensive interests within the multilateral context. How to apply traditional concession based negotiations to plurilaterals is not clear. **For DCs+LDCs, no certainty that gains from plurilaterals would be shared**, and if not, plurilaterals are seen as a risk not as an opportunity



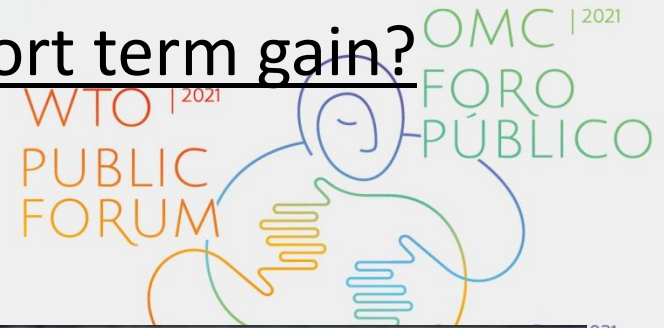
# Questions for Speakers & Audience

1. To what extent is it possible to “multilateralize” plurilateralism today after 20 years into the Doha Round with no agreement in sight & increasing numbers of FTAs/RTAs)?
2. What are the different “options” to negotiate & conclude plurilateral agreements (with or without MFN)?
3. What are the implications of plurilateral agreements for the multilateral trading system (Leading to more integration or fragmentation of the trading system)?
4. Besides Services, Environmental Goods, Investment, could other trade areas be negotiated through plurilateral approaches? if so, which areas?
5. What are the strategies and tactics available to developing and least developed countries in the negotiation of plurilateral agreements?





Containing Plurilaterals at all costs?  
Ignoring DCs+LDCs for short term gain?  
Need for compromise!!



<https://ch.images.search.yahoo.com/search/images?p=gulliver+and+the+lilipuths&fr=mcafee&type=E211CH739G0&imgurl=https%3A%2F%2Fc8.alamy.com%2Fcomp%2FHT5CXC%2Fgullivers-travels-gulliver-among-the-lilliputians-19th-century-engraving-HT5CXC.jpg#id=224&iurl=http%3A%2F%2Fsrsbstaff.ednet.ns.ca%2Fjcroft%2Fgullivers-travels-tied-down-570x238.jpg&action=click>



# Proposal: Trade & Development in Context of SDGs

CUTS<sup>®</sup>  
International

means agreements that are inclusive,  
transparent and participatory

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## THE GLOBAL GOALS

For Sustainable Development



**SDG 17: Strengthen the means of implementation  
and revitalize the global partnership for  
sustainable development**

**17.10**

**Promote a universal, rules-based,  
open, non-discriminatory and  
equitable multilateral trading system  
under the World Trade Organization,  
including through the conclusion of  
negotiations under its Doha  
Development Agenda**

