

Making Plurilateral Negotiations Support the Multilateral Trading System

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- **WTO's negotiation function – under challenge from all directions**
 - **Failure to achieve consensus in multilateral negotiation rounds**
 - **Criticism when members try to negotiate in smaller groupings plurilaterally**
- **Reality - the entire WTO membership will not agree on issues easily. Reaching consensus is challenging. A single member can veto a decision to expand the negotiation agenda**

The Prospects of Plurilateralism



Plurilateral Initiatives Inside the WTO (e.g. JSIs)

- Symbolise WTO’s “member-driven” approach
- Having separate plurilateral discussions does not mean abandoning issues that are being discussed multilaterally
- Preferable that members negotiate plurilaterally while staying within the WTO umbrella, rather than negotiating new (WTO+) issues only in Regional Trade Agreements (RTAs) or plurilaterals outside the WTO

The Perils of Plurilateralism

- **Plurilaterals - no negotiating leverage (*trade-offs, concessions*) for countries with different comparative advantages in different products and services**
- **More plurilaterals = more meetings - a capacity issue for DCs and LDCs, with their limited diplomatic personnel**
- **Plurilateral JSIs - greater focus on regulatory issues - very different levels in different countries and sensitive for DCs - need to first develop domestic regulatory capacity**
- **Threat - more outcomes in limited, newer areas; continuing stalemate on long-pending issues**



Way Forward



- **Negotiation flexibility and variable geometry is required, but retain systemic interests**
- **Better utilisation of existing WTO Committees to conduct exploratory talks on new issues**
- **Balance - between expanding negotiations (*plurilaterally/without consensus*) and moving forward on pending issues (*multilaterally/which require consensus*)**
- **Caution - expansion of plurilaterals should not become a path to destruction of the consensus principle**
- **Plurilaterals - can complement a functioning multilateral system – they cannot fix the systemic problems**