

Notes for FMG Session: Brainstorming on MC13 Abu Dhabi

(Partly borrowing from a forthcoming assessment with Bob Wolfe)

The good

- **Two new members-to-be. Comoros and Timor Leste.** They still have to ratify and then they become members 30 days after they ratify. Let's hope they are quicker than Fiji, which took almost two years.

Some have taken comfort from this as a sign that the WTO is still desirable for countries. Only partly true. Generally it's better to be in than out.

- **Decisions — mainly the e-commerce moratorium** on keeping electronic transmissions duty-free
- **Domestic regulation in services** — although only some schedules have been certified and the rules on certifying services schedules means India and South Africa would have had to give in eventually
- **Keeping the system going** — work programmes and nice words in the declaration

The bad

- **Fisheries subsidies** — failure to fill in the missing piece in the 2022 agreement
- **Fisheries subsidies** — failure to activate the 2022 agreement, by a large margin. The importance of ratification is overlooked.

Worse, DG Ngozi Okonjo-Iweala turned it into a celebration when it was actually a failure

- **Agriculture** — It's true that what was being proposed was largely can-kicking to the next conference, but deadlock on over-the-limit subsidies in food stockpiling ("PSH") is bad, particularly when there's a peace clause, and the baby that was thrown out with the bathwater was improving transparency on food export restrictions.
- **The atmosphere** — despite all the celebratory events, the deadlocks over substance and the controversial behaviour of one minister have left a sour taste.

The could-do-better

- **More on WTO reform generally**, although "reform by doing" — improving work in the regular committees — goes ahead without needing formal Ministerial Conference or General Council

decisions

- **Reforming dispute settlement** — the conference was not the deadline, 2024 is. But the hard work that has gone into the Molina draft faces a number of hurdles, not least some countries insisting that appeals have to be settled too. That won't happen in this US election year.
- **Reforming negotiations** — the investment facilitation participants submitted a proposal to add their plurilateral agreement to the WTO Agreement (annex 4) but did not press ahead with it. Presumably they will continue in Geneva. India was the only country to oppose it, and only as a decision in Abu Dhabi. South Africa did not join in for a change. Let's see what happens
- **Managing time and activities** — The biggest problem was that members left too much for ministers to do. Preparations in Geneva were not good enough.

At the conference, the celebrations diverted time and attention away from the problems with substance. The two "conversations" on subjects that were broad-ranging were allocated 2 to 3 hours each, with maybe 100 ministers wanting to speak.

Some delegates have told us that Issues like fisheries subsidies and agriculture were given far too little time considering the amount that had to be covered. We understand there was similar confusion at the 2022 Ministerial Conference, saved only by agreement on fisheries subsidies even though it was incomplete.

What happens next?

- **Keep talking.** Members can and should talk about new problems they confront even without a mandate: industrial policy and subsidies, environmental issues (some already underway in plurilaterals and the Trade and Environment Committee
- **Think more carefully** — about how to bring opposing views on board (and not by haranguing). Will developing countries continue to support India? (Did India draw the limelight away from other targets: China, US?)
- **Think more carefully** — about what Ministerial Conferences should be for and how the time is best used
- **Tone down the PR** — preserve credibility; observe that endless optimism has not helped persuade members to narrow their gaps