
Recap of FMG Discussion on Global Turbulence and WTO Reform III

19 June 2025

First on bilaterals:

- There is a widely shared concern about ongoing bilateral negotiations, including the few agreements already signed, because of the suspected non-conformity with basic WTO principles.
- There is a common view that transparency is the key, given the secretive nature of these bilateral negotiations, and potential impact on other members' interests. Some experiences could be drawn from the TPR monitoring exercise after 2008 crisis, firstly a Secretariat internal process, then mandated by Members and G20 leaders. Some pointed out the importance to have an informed and interactive process, not a mere one-hour exercise.
- Some suggest to develop an informal code of conduct on these bilaterals with some parameters to guide Members around this volatile period. A stand-still, and a credible one, of the nature of "doing no harm" was proposed, particularly by other Members such as EU, China and ASEAN.
- Another suggestion is to discuss some overriding principles to sustain the rules-based system by a small group of countries, and approved by their political leaders. This will be particularly important to secure some degree of certainty for business decisions during the present difficult period.

Second on WTO reform:

- Many emphasized the urgency to avoid distraction from the focus of the WTO, i.e. its reform and systemic challenges, and the sense of urgency in

this time of “doing whatever it takes” to save the MTS.

➤ A suggestion was shared by many that DG or GC Chair appoints a facilitator to inform discussions. It was underlined that the facilitator should talk to capitals, at political level through his/her own governments, and to guide a consensus-building process on points to discuss and to include for MC14 and beyond.

➤ Some proposed to entrust a think tank to connect academia and private sector with the WTO about the ongoing turbulence, something like former Evian Group, outside the boundary of the WTO, and to listen to outsiders for the purpose of seeking insiders’ solutions. This will facilitate a more comprehensive process with inputs from the private sector and analysis from academia.

➤ Some pointed out again the importance on what other Members can and must do, with real actions to invest in and showing “we want it”, instead of mere words. Some pointed out the urgent need to nurture new leadership within the WTO, e.g. EU-CPTPP or Friends of the System, and the need to instruct senior officials to follow up to operationalize such ideas.

➤ Some cautioned against attempts to have substantial negotiations by Ministers at MC14 and the need to get everything done in Geneva before the ministerial.

Note:

This is a personal summary by Prof. Xiankun LU of key elements of recent FMG discussions.