
Recap of FMG Discussion on Global Trade Developments and WTO Reform IV
23 September 2025

Questions to discuss:

1. What do you think of the ongoing bilateral negotiations between US and some targeted members? What shall we do to make sure that any bilateral agreements would avoid undermining WTO and its key principles?
2. How do we nurture the new coalition of the willing among WTO members to lead the way forward? Do you think some initiatives, such as “EU+CPTPP” and “FIT-P”, can play such leadership role, and with what parameters to make that happen?
3. How do we deal with ongoing plurilateral initiatives, such as IFD and E-Commerce, that are blocked from being integrated into WTO legal system? How do we develop more plurilateral initiatives and add more steam to move the WTO negotiating locomotive ahead, and in what sectors?
4. How do we mirror the above thoughts against the few months ahead of MC14 early 2026? What can we do to mobilize the political engagement of ministers?

On Question 1:

- There is a widely shared concern on bilateral negotiations and the agreements signed, particularly on the inaccessibility of needed information and potential violation of basic WTO rules like MFN, as well as the emerging risk to the system switching from rule-based to power-based.
- Many insisted on proper transparency mechanism for such bilateral agreements. Options include: monitoring exercise like 2008; prima facie notification for agreements subject to domestic approval, followed by formal notification upon approval and implementation, and proper discussion at related WTO bodies;
- Some proposed “peace clause”, “Article 28 renegotiations”, “standstill among other Members”, “waiver”, or “collective actions by other Members through WTO DSM”, to deal with signed agreements, while some others cautioned that such options should be used to enhance transparency but not to provide legalization of such agreements.

On Question 2:

- Many advocated a new collective leadership of the coalition of the willing, with some pointing out the need for a convenor or a caucus of convenors for such a coalition.
- Many welcomed new initiatives like “EU+CPTPP” or “FIT-P”, as well as others already existing like “Ottawa Group”, as options for such new leadership.
- Many pointed out the need for connection and inclusion with each other for such new leadership initiatives, and the need to build bridges and to avoid exclusion. Some underlined the need to include the “nay-sayers” in the conversations to prepare for their engagement and participation in the future.

On Question 3:

- An overwhelming majority holds the view of “just do it”, or “make things happen”, i.e. start implementing signed plurilaterals like IFD or E-commerce without wasting time on its WTO integration, and welcomed recent signals towards that direction.
- Many refer to previous proposals on regulatory coordination, soft-law rules, new issues like AI or climate change, or traditional issues like AG or services, as potential plurilateral initiatives.
- Some proposed to improve existing plurilaterals. For example, to expand MPIA, particularly to include more developing countries, and provide them with proper TA/CB, including supporting them to participate as third parties, and to continue discussing ways to improve DSU and to apply them in MPIA process.

On Question 4:

- Views differ on MC14, with some proposing to launch a reform agenda focusing on cross-cutting issues like how to improve the three functions of the organization, how to apply S&D or consensus decision-making, while others caution against too high ambition for MC14 and risk for failure.
- Some proposed to have a low-hanging result with ministers reaffirming their commitment to the WTO reform and some ideas on transparency or administration of existing rules, and getting together after MC14 to map out more details for the reform agenda. Some believed that simple results like IFD or E-commerce moratorium is gettable without risking consensus, while others questioned about potential damage to the motivation of ministers to engage for such results.
- Many believes that MCs could be better used as a platform to launch various initiatives plurilaterally among the willing Members, including the above-mentioned reform agenda, or various plurilateral initiatives or mini deals. Many cautioned against “making perfect enemy of the good” and waste time on legal formats of plurilateral initiatives.
- Some proposed to issue a multi-organization factual report at MC14 about the impact of the current turbulence, and share it with media and private sector, while some others doubted the effectiveness of such efforts.
- Some underlined the need to include “the majority”, i.e. developing countries and LDCs for the above initiatives.

Note:

This is a personal summary by Prof. Xiankun LU of key elements of recent FMG discussions. This document is not an official FMG paper nor an approved summary of the discussions.