

TRADE MULTILATERALISM IN THE TWENTY-FIRST CENTURY

Trade multilateralism in the twenty-first century faces a serious test as weakness in the global economy and fast-paced technological changes create a challenging environment for world trade. This book examines how an updated and robust rules-based multilateral framework, anchored in the WTO, remains indispensable to maximizing the benefits of global economic integration and to reviving world trade. By examining recent accessions to the WTO, it reveals how the growing membership of the WTO has helped to support domestic reforms and to strengthen the rules-based framework of the WTO. It argues that the new realities of the twenty-first century require an upgrade to the architecture of the multilateral trading system. By erecting its 'upper floors' on the foundation of existing trade rules, the WTO can continue to adapt to a fast-changing environment and to maximize the benefits brought about by its ever-expanding membership.

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TRADE MULTILATERALISM IN THE TWENTY-FIRST CENTURY

Building the Upper Floors of the Trading System
Through WTO Accessions

Edited by

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FOREWORD

At the launch of the first volume of our collection on accessions in September 2015, I said that our work in this area was a major success story for the organization. That remains the case today. Since then we have welcomed another three new members to the WTO, taking the membership to 164. As of early 2017 there were twenty-one ongoing WTO accessions, including eight least-developed countries. In total, fifty-seven applicants have expressed their interest in joining the WTO through the Article XII process since its establishment in 1995.

Empirical evidence suggests that the WTO accession process, which normally entails a range of domestic reforms, has had an overall positive impact on the economic performance of the participants. Looking at the remaining accessions, which involve a large number of economies that are dominated by a relatively narrow range of export products, the agenda for structural reforms will be vital for economic diversification, increased competitiveness, private sector development and improvements in the business environment and governance. In this way, the accessions process can make a significant contribution to the overall goal of faster growth, development and job creation.

The 2015 book *WTO Accessions and Trade Multilateralism: Case Studies and Lessons from the WTO at Twenty* (WTO/Cambridge University Press) was focused on the contributions of accessions to the multilateral trading system and the impact of accession on recently acceded WTO members. This follow-up volume *Trade Multilateralism in the Twenty-First Century: Building the Upper Floors of the Trading System Through WTO Accessions* draws on recent accession experiences to distil the impact of accessions on the constantly evolving architecture of the multilateral trading system.

This book pulls together a wide range of topics related to the impact of accessions and it draws on a broad range of contributors – from politicians and chief negotiators to academics and trade practitioners. All of them have been directly involved in the accession process and are

uniquely placed to provide new insights on how accessions can help to reshape trade multilateralism for the twenty-first century.

The contributions contained in these pages are directed towards a broad audience of international trade and economic policy-makers, practitioners and scholars in related fields, as well as business people. I am sure that it will be of particular interest to WTO members, observers and governments assessing their prospects of joining the WTO, as well as everybody who is interested in the future of trade and the multilateral trading system.

I congratulate everyone who has been involved in producing this book – particularly the contributors and the editors. It is an excellent contribution to the debate on an important aspect of the work of the WTO.

Roberto Azevêdo
WTO Director-General

ACKNOWLEDGEMENTS

Trade multilateralism has an indispensable human dimension. There have been no WTO negotiations or accessions that have mechanically run to conclusion. This human dimension has found ample manifestation in this book. As its editors, we have enjoyed the enormous privilege of being able to draw on the experience of a broad range of contributors – from presidents, ministers and other high-level officials and chief WTO negotiators, to academics, trade practitioners and experts from international institutions. All of them have been directly involved in the multilateral system, including the accession process. They are uniquely placed to provide new insights on how WTO accessions have contributed to reshaping trade multilateralism for the twenty-first century.

We express our profound appreciation to all contributors to this book and are immensely grateful for their time, energy and dedication to this project. Their contributions assembled in this book suggest a roadmap for updating the multilateral trading system in a time of radical change and uncertainty. The WTO is the primary forum on international cooperation for trade. It is an indispensable organization. Yet it is an organization in a period of transition. Building on the existing foundation, the recent contributions from WTO ministerial conferences in Bali and Nairobi, the coming into force of the Trade Facilitation Agreement, and the WTO leadership have contributed to upgrading the multilateral trading system and building its upper floors. Such upper floors should make the system more flexible and adaptable in the continuously changing international environment.

This book would not have been possible without the inspiration, strong support and thoughtful feedback of the WTO Director-General Roberto Azevêdo, Deputy Director-General David Shark and Senior Advisors Graça Andresen-Guimaraes and David Tinline. We are very grateful to Anthony Martin and Helen Swain for their editorial guidance and expertise in refining the manuscript. Research assistance from Petra Beslác

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Alexei Kireyev
Chiedu Osakwe

ABBREVIATIONS

AGST	agricultural supporting table
AMS	Aggregate Measurement of Support
AoA	Agreement on Agriculture
ASYCUDA	Automated System for Customs Data
BIT	bilateral investment treaty
CAREC	Central Asia Regional Economic Cooperation
CBL	Central Bank of Liberia
CET	common external tariff
CIS	Commonwealth of Independent States
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CoA	Committee on Agriculture
COMESA	Common Market of Eastern and Southern Africa
CONAPEX	National Council for Export Promotion
CU	customs union
DG Trade	Directorate-General for Trade
DSU	Dispute Settlement Understanding
EAEU	Eurasian Economic Union
ECOWAS	Economic Community of West African States
ECOTA	Economic Cooperation Organization Trade Agreement
EIF	Enhanced Integrated Framework
EMS	Equivalent Measurement of Support
EMT	economic management team
EU	European Union
FDI	foreign direct investment
FPCCI	Federation of Pakistan Chambers of Commerce and Industry
FTA	free trade agreement
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade

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ABBREVIATIONS

GDP	gross domestic product
GI	geographical indication
GPA	Agreement on Government Procurement
HIPC	Heavily Indebted Poor Countries Initiative
IAPE	Intergovernmental Affairs & Engagement
IGPAC	Intergovernmental Policy Advisory Committee on Trade
IMF	International Monetary Fund
IIA	international investment agreement
IP	intellectual property
ISDS	Investor-State Dispute Settlement Mechanism
ITAC	Industry Trade Advisory Committees
ITC	International Trade Centre
LAC	Labor Advisory Committee for Trade Negotiations and Trade Policy
LAP	legislative action plan
LDC	least-developed country
LIC	low-income country
LPAP	Liberian WTO Post-Accession Plan
MC8	Eighth WTO Ministerial Conference
MC10	Tenth WTO Ministerial Conference
MCI	Monthly Calculation Index
MEPs	Members of the European Parliament
MFN	most-favoured nation
MFTR	Memorandum on Foreign Trade Regime
MRTA	mega-regional trade agreement
NAFTA	North American Free Trade Agreement
NBT	National Board of Trade of Sweden
NPC	neutral private company
N3P	neutral third party
NT	national treatment
NTM	non-tariff measure
NTP	National Trade Policy of Liberia
OECD	Organisation for Economic Co-operation and Development
PASF	Post-Accession Support Forum
PASP	WTO Post-Accession Platform
PTA	preferential trade agreements
RTA	regional trade agreement
S&D	special and differential treatment

ABBREVIATIONS

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SAARC	South Asian Association for Regional Cooperation
SADC	Southern African Development Community
SAFTA	South Asian Free Trade Area
SCM	Agreement on Subsidies and Countervailing Measures
SEZ	special economic zone
SIDA	Swedish International Development Cooperation Agency
SMEs	small and medium-sized enterprises
SOE	state-owned enterprise
SPS	sanitary and phytosanitary measures
SSG	special agricultural safeguard
STE	state trading enterprise
TACA	Trade Advisory Committee on Africa
TA/CB	technical assistance and capacity-building
TBT	technical barriers to trade
TCA	Agreement on Trade in Civil Aircraft
TEPAC	Trade Advisory Committee on Trade and Environment Policy
TFA	Trade Facilitation Agreement
TiSA	Trade in Services Agreement
TPP	Trans-Pacific Partnership
TPR	WTO trade policy review
TRIMs	Trade-Related Investment Measures
TRIPS	Trade-Related Aspects of Intellectual Property Rights
TRQ	tariff rate quota
TTIP	Transatlantic Trade and Investment Partnership
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
USTR	United States Trade Representative
WEF	World Economic Forum
WGI	Worldwide Governance Indicators
WIPO	World Intellectual Property Organization
WPR	working party report
WTO	World Trade Organization
WTO Agreement	Marrakesh Agreement Establishing the World Trade Organization

DISCLAIMER

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