

WTO impasse spurs ACP developing states to find intra-ACP solutions

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Buenos Aires, 14 December 2017/ ACP: Talks towards a final outcome document collapsed at the 11th Ministerial Conference (MC11) of the World Trade Organisation, despite the best efforts by the Chair, Argentina's Amb. Susana Malcorra, to get member states to agree to a 'scaled down' ministerial declaration.

No substantive agreements were achieved this time, although decisions were passed on e-commerce duties, MSMEs (micro, small and medium enterprises) and a commitment made to round up negotiations on fisheries subsidies by the next ministerial meeting in 2019.

Before officials from 165 countries at one of the world's most important trade summits, WTO Director General Roberto Azevedo admitted the outcome was "disappointing".

"We can't deliver at every ministerial. It's not every time that ministers meet that they are going to be able to strike deals of the magnitude of what we achieved in (the 9th and 10th ministerial conferences) in Bali and Nairobi... We knew progress here would require a leap in members' positions. We didn't see that," he explained at the closing ceremony.

The result was partly expected, as negotiations by Geneva-based envoys over the past two years failed to generate a draft ministerial declaration by the time MC11 commenced. Three days of political wrangling in Buenos Aires were unable to turn the tide, and the Americans put the final nail in the coffin when it rejected a last-ditch draft declaration circulated just a day before meetings closed.

"The reality is that we've had countries take entrenched positions, and unless we are prepared to be flexible, we will not come to any meaningful solutions," said Minister of Foreign Affairs for Barbados, Sen. Maxine Mclean, acting coordinator and spokesperson for the ACP Group at MC11.

For 60+ WTO members from Africa, the Caribbean and the Pacific, which together make up the ACP negotiating group, it means the fight continues for global trading rules that benefit poorer nations as much as they do more powerful players.

It has also sparked a drive to explore parallel tactics to boost the ACP's meagre share of world trade, which currently stands at

less than two percent.

Multilateralism questioned

In addition to rigid positions at MC11, ACP countries faced an increasing disinterest from powerful economies in terms of committing fully to a system where 165 countries have an equal say in setting the rules.

Consensus at the WTO is notoriously hard to achieve, and some are turning more towards deals with individual or a few countries at a time.

But Sen. McClean warns: “The core focus on multilateral trade rules seem to be taking a back seat to some of the developed world’s efforts to focus on bilateral arrangements. That to my mind is detrimental in many respects for the countries of the ACP as developing countries.”

“There are real asymmetries in terms of trading power and therefore our best hope is under a regime that is global, transparent, that seeks to address the real situations that we face as small developing countries.”

In fact, the deadlock in Geneva talks leading up to MC11 were mainly over two key issues. First, the reaffirmation of the [Marrakesh Agreement](#) [2] founding the WTO, which supports a rules-based multilateral trading system as well as “special and differential treatment” for developing countries that promotes their industrialisation and structural transformation, and second, on development – as enshrined in the [Doha Development Agenda](#) [3] (DDA), whose fundamental objective is to improve the trading prospects of developing countries.

Some developed states refused to reaffirm these principles, calling instead for a review of the meaning of ‘development’, and other key reforms to the WTO.

As American Ambassador Robert Lighthizer put it to the ministerial plenary: “We need to clarify our understanding of development within the WTO... There is something wrong, in our view, when five of the six richest countries in the world presently claim developing country status.”

ACP: parallel tracks toward the future

Yet it is those very principles agreed in Marrakesh and Doha that the ACP Group adheres to at a fundamental level.

“When we talk about moving away from the agreements we made in Doha, that does not bring us comfort... We cannot abandon what constitutes the foundation of what we must build upon,” insists Sen. McClean.

“To my mind there can be two parallel tracks – seeking to address the commitments that we made, and as we try to address them, we will recognise that changes perhaps have to be made, but there cannot be an abandonment of those commitments.”

Looking towards the future Sen. McClean acknowledges that in addition to the work done via WTO, ACP countries must also seek out other strategies to boost trade.

“Within the context of the ACP, we have the capacity to engage in intra-ACP activity and we need to focus on that. As we try to fix the situation that we are facing in the context of the WTO, I believe that we have also have to turn our attention to how we can strengthen our own trade relations,” she said. “There is the demand, there capacity to engage in trade, we know what the constraints are, and we therefore should work towards addressing those constraints.”

This is in line with a [recent decision](#) [4] of the ACP Council of Ministers, supported by an UNCTAD study on the issue.

At Buenos Aires, Sen. McClean made a final plea to fellow ministers and negotiators to return to their respective capitals and to Geneva and seriously explore how to increase trade within and amongst ACP countries.

Discussions are set to take place in the first quarter of 2018, to reflect on strategies moving forward.

(Photo: Senator Maxine McClean, Minister of Foreign Affairs of Barbados and acting spokesperson for the ACP Group at the 11th WTO Ministerial Conference)

- By Josephine Latu-Sanft/ACP Press

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