

3. FIW-Vorlesung 8.3.2012

Comment on: Future Directions for the
Multilateral Trading System, J.Francois

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WTO-Negotiating Round

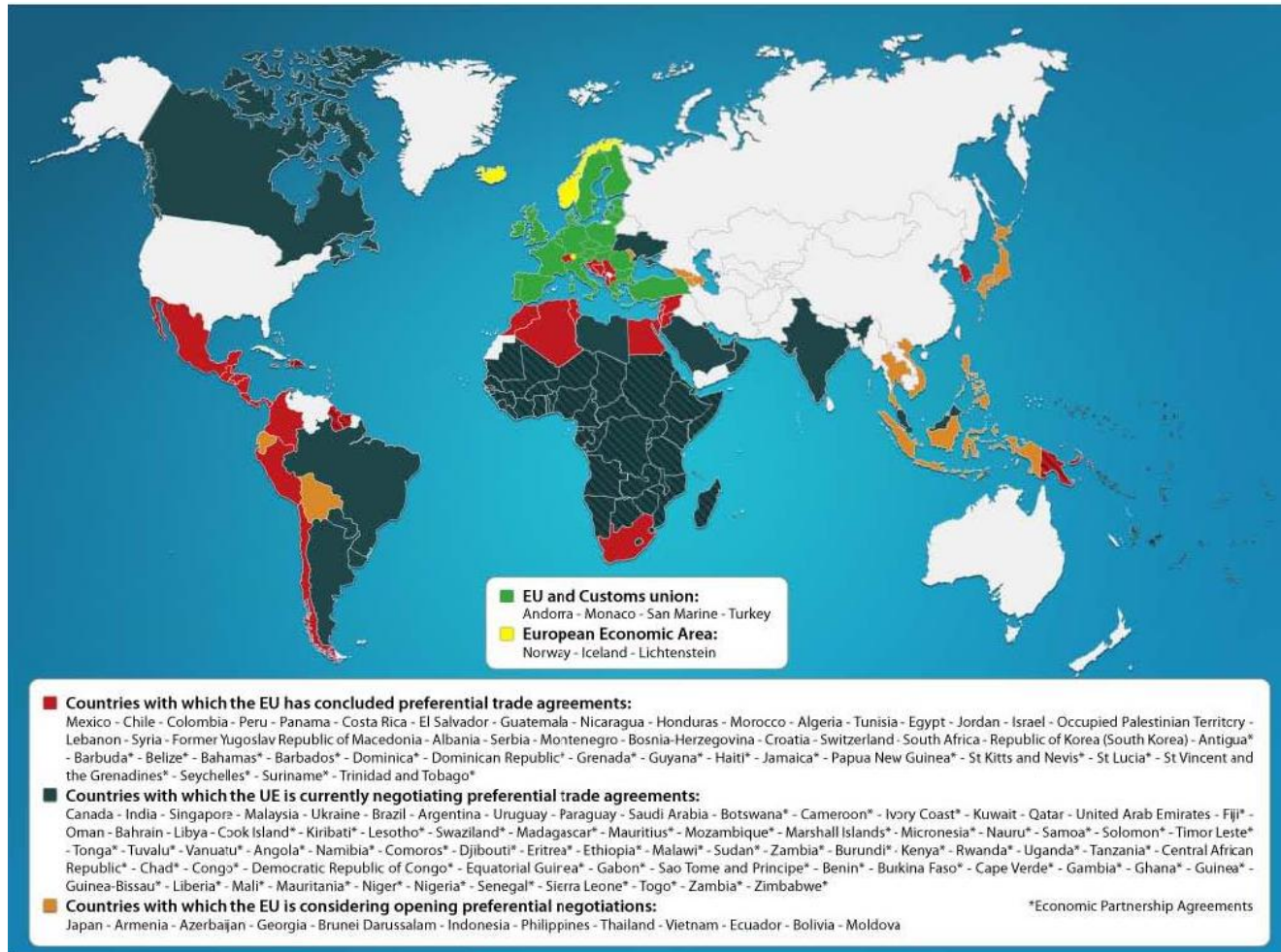
Doha Development Round/DDA, results of MC8

- Decision on accession of Russian Federation, Montenegro, Vanuatu and Samoa
- Review of GPA (Government Procurement Agreement), work programme
- commitment against protectionist measures
- Adoption of LDC waiver for services, accession for LDCs, application of TRIPs for LDCs postponed, work programme for small and vulnerable economies, non violation disputes/TRIPs (Members will not initiate such complaints under the TRIPS Agreement)
- Far from negotiating modalities! No work programme for 2012!

Current State

- Is backward looking necessarily a curse as far as the negotiation of leftover issues from the Uruguay Round is concerned?
- Crisis lessons: multilateral trading system has been shock proof with regards to the economic crisis, but has the economic crisis eventually made more explicit an institutional crisis? If so what can we deduce from it?
- *“nontrivial, though relatively small (in product coverage terms) increases in import protection could have prevented greater market--closing forces from emerging and the overall multilateral system from falling apart”* -> Does committing smaller infringements prevent member states from committing more significant infringements?

EU Bilateral Trade Agreements



Quelle: Overview and state-of-play of ongoing negotiations 6. Februar 2012; http://trade.ec.europa.eu/doclib/docs/2006/december/tradoc_118238.pdf

Bilateral Trade Agreements

- FTAs tackle issues which remain outside the WTO and are not ready for multilateral discussion like investment, public procurement, competition and trade facilitation
- FTAs deal with non tariff barriers by the means of regulatory convergence
- FTAs include stronger provisions for IPR, i.e., provisions on enforcement of IP rights
- Quick wins of FTAs in comparison to multilateral agreements
- FTAs as stepping stone

Negotiating Approaches

- *„ ...Ministers remain committed ...need to more fully explore different negotiating approaches ...“*
- single undertaking - early harvest (trade facilitation? NTBs? Duty free and quota free for LDCs? export subsidies?)
- multilateral - plurilateral agreements? (services? sectorals in NAMA?)

Reducing trade barriers in the Single Market for boosting productivity

- Different negotiation process
- 25% or 50% reduction of trade barriers is politically not feasible in the short run -> What is the balance of negotiation costs to the benefit of, i.e., 10% reduction of trade barriers?

IPR

- Distortions by abuse of IP are clearly comprehensible. Do we also understand the force of public discussions as is the case with ACTA? What does it mean for the negotiations?
- IPR has a legal nimbus. Issues go far beyond the economic reasoning.