



WTO Ministerial Conference : Limited Steps Forward

The World Trade Organization remains the backbone of the global trading system, although expectations regarding the eleventh Ministerial Conference of the WTO (MC11) were not met. During the conference in mid-December in Buenos Aires, B20 leaders called upon WTO members to look ahead, build on the decisions taken and continue to shape a modern negotiation agenda.

Despite enormous efforts of the Director-General of the WTO, Roberto Azevedo, and constructive negotiation proposals by several G20 delegations, the 164 WTO members failed to agree on concrete rules to limit fishery subsidies or a permanent solution for the public stockholding of food. The usual adoption of a joint declaration failed due to a lack of consensus.

First Business Forum at Ministerial Conference: The B20 Role

The hosts, together with B20 Argentina and other partners, held a major business forum – the first time at a WTO ministerial conference. At the forum, two focal points of the Argentine G20 presidency were presented: trade in agriculture for sustainable food and the participation of women in trade. Participants welcomed the launch of the “SheTrades Argentina” initiative aiming at a better integration of women entrepreneurs into the global economy.

In his capacity as B20 Chair, and as one of the plenary speakers, Dr. Funes de Rioja, urged WTO members to strengthen the rule based multilateral trading system including monitoring and the dispute settlement. Dr. Funes de Rioja was very positive about the importance of the WTO and stressed that Argentina should actively support multilateral integration in the world.

The Way Forward in Trade and Investment

Paolo Rocca, Chair of the Trade and Investment B20 task force and President and CEO of Techint, analyzed the current structural challenges to trade and investment. He pointed out the need for a “sustainable globalization” which takes into account transparent rules and economic neutrality of state-owned companies; and the necessity of discussing protectionists measures in trade that are taking place that could harm economic growth, introduce disruptions and generate conflicts between globalization and governability.



MC11 outcome

WTO members only committed to agree on effective rules on fishery subsidies at the upcoming ministerial conference in two years. At the last minute, they avoided the failure to extend the moratorium not to impose customs duties on electronic transmissions. This multilateral self-commitment has been prolonged in every ministerial conference since 1998. At the same time, a moratorium on a specific part of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) was extended.

A failure of the moratorium on the transfer of data would have resulted in new customs and duties and therefore would have caused additional burden on the world trading system. The decision also includes a fairly general plan to continue working on the topic of electronic commerce. Beyond that, an informal and open working group has been established, which is to bring about a mandate decision for formal negotiations on promoting MSMEs at the forthcoming conference. Finally, conditions for the beginning of accession negotiations for South Sudan were agreed upon.

Cooperation on Digital Trade

MC11 reconfirmed that the WTO remains more important than ever for maintaining open and rules based world trade and to initiate new trade pacts.

All G20 members must engage in a more flexible way, in order to revive the negotiating process of the WTO. It is imperative to move forward and to shape a modern multilateral trading agenda. In this regard, MC11 delivered another step into the right direction and in line with B20 recommendations: a new initiative on e-commerce, which is open to all interested stakeholders.

For more information regarding the Business 20 recommendations for a modern WTO please enter [here](#).