

Next Stop Cancun—Where is the WTO Headed?—A Mid-Point Evaluation Between the 4th and 5th Ministerials

Presentation Summary and Comments

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Andrew Stoler: Stoler made two primary comments concerning the Doha meeting: (1) for the first time, developing countries are coming into their own; and (2) the outlook for progress is very good.

Developing countries finally are beginning to play an essential role in the World Trade Organization (WTO) talks. They assisted with the formation of the Doha agenda, and they are insisting on special provisions regarding the implementation of the Uruguay Round Agreements, new special exceptions for subsidies, and a waiver for the European Union/African, Caribbean, and Pacific (ACP) agreement. The outlook for progress from this round is very good, and as long as critical deadlines in the spring of 2003 are met, the possibility for progress is strong. Ultimately the Doha Round will be successful if WTO Members are able to cooperate to meet deadlines in the areas of services and agriculture and if countries use a multilateral approach to reach an agreement.

Peter Gray: Gray proposed that there are three broad outcomes possible from the Doha Round. The first of these potential results is no outcome at all. According to Gray, this would lead to the failure of the WTO system, giving rise to implications that suggest the failure of global efforts to promote development. The second conceivable outcome would be a round without any meaningful gains, which would lead to a greater proliferation of bilateral and regional agreements. A third, and final, possible outcome is negative progress, in which bad agreements and decisions would hamper market access and expansion of the world trading system in the long run. Gray concluded that at this point in the round an

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acceptable amount of progress has been made. The real test of this round, however, will be the achievements made in agriculture, since it is the only industry for many of the developing countries.

Dorothy Dwoskin: Dwoskin concluded that the Doha Round had a bright outlook and a packed schedule, that agriculture would play a crucial role in setting the agenda, and that the increase in participating parties would make it more difficult to reach a consensus.

Dwoskin stated the success of the Doha Round will depend upon meeting important deadlines. Deadlines concerning compulsory licensing with pharmaceuticals in the area of trade-related intellectual property rights (TRIPs) and health, negotiations to expand the high level of protection for wine and spirits geographic indications in article 23 of the TRIPs Agreement to other goods, and negotiations on development-related issues are fast approaching and will be challenging to meet. In the area of development, Dwoskin indicated a number of features of this round that will truly make it a development round (for example, increased technical assistance to developing countries, extensive consideration of a special and differential treatment for developing countries, and progress on agriculture).

Petros Sourmelis: Sourmelis argued that, were the Doha Round to fail, such failure would come at a high cost. He stated that progress in this round would be achieved through a balanced agenda and by incorporating more of the demands of the developing countries. In his view, the talks were on track as far as the mandate, structure, deadlines, and submissions were concerned. However, he added that there were serious reasons for concern over the progress and outcome of the Doha Round. One reason for concern is that, to date, certain issues have unevenly progressed.

He argued that the idea of a "single undertaking" should be extended to the conduct of the round and not limited to its outcome. The involvement of the WTO membership in the negotiations is very uneven, with certain WTO partners only wanting to discuss those issues of major concern to them.

Sourmelis stated that a successful round would require: (1) greater participation in discussions and submissions by more countries; (2) balanced progress throughout the discussions; (3) a commitment to the pledge of providing technical assistance to developing countries; and (4) multilateral cooperation between the European Union and the United States.

Questions and Answers: First, the panel was asked to address Peter Gray's remarks concerning what he considers to be the three potential outcomes of the current round of WTO negotiations: (1) no outcome; (2) an outcome with a whimper; or (3) backwards movement. Additionally, the panel was asked to consider the chance for a positive outcome at the Cancún Ministerial.

Peter Gray responded by saying that a successful outcome would require an extremely high level of political attention, and developing countries would have to be considered important and gain more market access. Petros Sourmelis stated that a balance would have to be maintained between the number of participating countries and the amount of issues that are addressed in Cancún for a successful round to occur. Dorothy Dwoskin suggested that a strong agreement in an important area, such as agriculture, could potentially make this round of trade talks a real success. Andrew Stoler agreed that the potential for meaningful results in agriculture existed. He also believed that there was the possibility for gains in industrial market access and in the areas of investment and competition policy.

Second, the panel was asked whether a consensus at the WTO is disintegrating as more countries become involved, and if the goal of basing this round on a single undertaking is

inconsistent with the multiple interests of WTO Members. Andrew Stoler observed that having a consensus is not the same thing as having complete Member participation on every issue. Petros Sourmelis reinforced his belief that this round needs a balanced approach and a “package deal” in order to get things accomplished. Peter Gray said that it would be regrettable if all participants could not get on board with an agreement that made progress on certain core issues. Dorothy Dwoskin added that the African countries wanted to make sure that they were able to fully participate in this round of negotiations and in the fruits of the round.

