

Trade talks lead to ‘death of Doha and birth of new WTO’

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'Significant' achievement: Roberto Azevêdo, WTO director-general, addresses reporters in Nairobi at the weekend

The World Trade Organisation is facing the biggest shake-up of its agenda in a generation after its members in effect abandoned the long-stalled Doha round.

For the first time since the round was launched amid great fanfare in 2001, the WTO's 164 members, ending a conference in Nairobi at the weekend, **declined to “reaffirm” Doha’s mandate.**

They also opened the door to discussing **new issues and focusing more on delivering smaller packages of trade reforms.** Agreements **included a global ban on farming export subsidies** that Roberto Azevêdo, the WTO's director-general, called the “most significant” achievement on agriculture in the organisation's history.

The new line in Nairobi, said one senior trade official, amounted to “the death of Doha and the birth of a new WTO”.

It also marked a victory for the US and EU, who alongside other developed economies have argued that clinging to the long-stalled Doha negotiations was making the institution irrelevant in a changing global economy.

For 14 years of its 20-year history its negotiations have been conducted — many would say frozen — under the Doha round banner, and since 2008 the view of many outside the WTO’s Geneva headquarters has been that Doha ought to be buried.

That frustration has led to a push for large regional and sectoral trade agreements. In October, the US administration concluded negotiations with Japan and 10 other economies on a vast new Pacific rim pact: the Trans-Pacific Partnership.

It is also negotiating a similar agreement with the EU, and leading other sectoral talks in Geneva on the global trade in services and environmental goods.

That has also had an effect on the WTO. Under Mr Azevêdo, the onus is on what is achievable and delivering smaller packages of reforms.

In Nairobi, ministers agreed on the ban on agricultural export subsidies, and concluded long-running discussions on **liberalising the global trade in IT products.**

Those deals followed the **conclusion in 2013 in Bali, Indonesia, of an agreement to remove red tape and speed the flow of goods through borders.**

“We know that we can negotiate,” Mr Azevêdo told the Financial Times. “What we need is an agenda.”

However, the WTO is still divided over its priorities, and Mr Azevêdo said tough negotiations lay ahead.

The US hailed the Nairobi decision, saying it had cleared **“the road to a new era for the**

India, which has been the most vocal advocate of sticking with Doha, bemoaned that “some members” had blocked its continuation. It said it was a **“significant departure from the fundamental WTO principle of consensus-based decision-making”.**

Some of the fundamental problems facing the negotiators have not been resolved. The Chinese economy has changed significantly since 2001 when the Doha talks were launched. But it is still classified as a developing economy and exempt from many obligations — much to the annoyance of Washington.

The tension is akin to that in UN-sponsored climate talks. This month’s climate agreement in Paris was reliant in many ways on developing countries such as China recognising that the world had changed since the Kyoto protocol of 1997, which bound advanced economies but not emerging ones.

But at the WTO, that is something developing nations have failed to do.