Module 2: WTO Accession – Multilateral Negotiations

Dimitar Bratanov, Accessions Division, WTO
Module 2: WTO Accession – Multilateral Negotiations |
Multilateral Negotiations

**Multilateral Negotiations**
- Memorandum, questions and replies
- First Working Party meeting
- Further questions and replies and other documents
- Further Working Party meetings
- Factual Summary
- Draft Working Party Report, with a draft decision and a draft Accession Protocol annexed to it

**Plurilateral Negotiations**
- Plurilateral meetings on Domestic Support and export subsidies in agriculture
- Plurilateral meetings on other issues as necessary
- Technical Verification meeting on Draft Goods and Services Schedules

**Bilateral Negotiations**
- Bilateral contacts
- Initial offers
- Bilateral meeting with interested members to negotiate tariff bindings
- Revision of offers and further negotiations
- Bilateral agreements signed
- Draft Goods and Services Schedules

Module 2: WTO Accession – Multilateral Negotiations
Multilateral Negotiations

Aim of multilateral negotiations:
i. Understand the applicant’s foreign trade regime; and,
ii. establish the terms of entry to the WTO, ensuring the conformity of the applicant’s laws and practices with WTO rules and disciplines.

What is the difference between the Memorandum, Factual Summary and draft WP Report?

i) FS: distills discussions in WP based on the Q&R process (drafted by Secretariat)
ii) Draft Report: discussions in WP + draft commitments to be agreed between the acceding government and Working Party members.

What are commitment paragraphs?
Commitment paragraphs contain the terms of entry of an Acceding Government to the WTO ... "the Working Party took note of this/these commitment(s)"
Multilateral Negotiations

Different types of commitment paragraphs:

- obligations to abide by existing WTO rules, sometimes specifying national measures to be amended in order to be brought into conformity with WTO provisions, or sometimes elaborating on the WTO provisions relating to the subject in question

- commitments not to have recourse to specific WTO provisions, e.g. those relating to transition

- specific identification of transition periods that may be used

- authorisations to depart temporarily from WTO rules or from commitments in the Goods Schedule

- obligations to abide by terms defined by the commitment paragraph (and not contained in WTO Multilateral Agreements). This may relate to obligations to comply with "other international obligations", privatisation, sub-central governments and time-frame for accession to Plurilateral Trade Agreements

- statements of fact rather than actual commitments.
Number of Commitments undertaken by Article XII Members

Ecuador '96
Bulgaria '96
Mongolia '97
Panama '97
Kyrgyz Republic '98
Latvia '99
Estonia '99
Jordan '00
Georgia '00
Albania '00
Oman '00
Croatia '00
Lithuania '01
Moldova, Republic of '01
China '01
Chinese Taipei '02
Armenia, Republic of '03
FYR Macedonia '03
Nepal '04
Cambodia '04
Saudi Arabia '05
Viet Nam '07
Tonga '07
Ukraine '08
Cabo Verde '08
Montenegro '12
Russian Federation '12
Vanuatu '12
Lao People's Democratic '13
Tajikistan '13
Yemen '14
Seychelles '15
Kazakhstan '15
Liberia '16

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Multilateral Negotiations

Structure of the Draft Working Party Report

- Part 2: Economic policies
- Part 3: Framework for making and enforcing policies
- Part 4: Policies affecting trade in goods
- Part 5: Trade related intellectual property regime
- Part 6: Policies affecting trade in services
- Part 7: Transparency
- Part 8: Trade agreements
Multilateral Negotiations

Accessions document symbols

- **WT/ACC/SPEC...** series: Working Party documents relating to the negotiations on rules (e.g., draft Working Party Reports), negotiations on market access for goods and services (e.g., market access offers), and the negotiations and discussions on agricultural support and export subsidies (e.g., agriculture Supporting Tables).
- **JOB/ACC...** series: informal documents or non-papers (e.g. Factual Summary of Points Raised) and documents which relate to the activities of an accession Working Party, but have not been requested by the Working Party (e.g. statements, Chairpersons' reports).
- **WTO/AIR/ACC...** series: airgrams (i.e. convening notices for formal meetings)

- All documents are available through the accession webpage
  - [https://www.wto.org/english/thewto_e/acc_e/acc_e.htm](https://www.wto.org/english/thewto_e/acc_e/acc_e.htm)
- Legislation submitted by acceding governments also found on the accession webpage
Multilateral Negotiations

Agenda of Working Party meetings

• (i) review of the state of play in the bilateral market access negotiations (after the submission of initial market access offers);
• (ii) examination of the applicant's foreign trade regime / draft Report;
• (iii) review of legislative developments on the basis of a legislative action plan; and
• (iv) next steps in the work of the Working Party.
Module 2: WTO Accession – Multilateral Negotiations

Frequency of Commitments in Multilateral Rules
Multilateral Negotiations

Accession Commitments Database (ACDB)

- Accession Commitments Database (ACDB) provides user friendly access to all accession commitments and related information contained in the Working Party Reports and Accession Protocols of Members that have acceded to the World Trade Organization, pursuant to Article XII of the Marrakesh Agreement Establishing the World Trade Organization.

- To view all the commitments undertaken by all Article XII Members, please visit the [http://acdb.wto.org](http://acdb.wto.org)
End of Module 2!

Question!
What is your take-away from this module?
Module 3: WTO Accession – Outcomes

Dimitar Bratanov, Accessions Division, WTO
Accession Results
Coverage: 98% of World Trade

2016

- Original Members: 81.4%
- Art. XII Members: 17.0%
- Rest of the World: 0.1%
- Acceding Governments: 1.5%
Map of WTO Members and Observers
ACCESSION PACKAGE

1. Decision
   • Protocol


3. Schedule of Concessions and Commitments on Goods

4. Schedule of Specific Commitments on Services

Accession Package of the Russian Federation
Number of Commitments undertaken by Article XII Members

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Accessions Results - Goods

Module 2: WTO Accession – Multilateral Negotiations
Accessions Results - Services

- Article XII: 102
- Original Members: 49
- LDCs Art XII: 87
- LDCs Original Members: 20

Module 2: WTO Accession – Multilateral Negotiations
Accession Results:
Annual GDP Growth Rate

- China
- Article XII Members (excluding LDCs) Average
- World
- Article XII LDC Members Average

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Accession Results: Trade Performance

Evolution of World Trade in nominal value by membership status

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Accession Results: Trade Growth

Trade, average annual growth rate

1995-2016

9.7%

5.8%

2010-2016

2.6%

1.4%

Article XII Members

World
WTO Accessions, Structural Reforms & Export Diversification

Statistics on WTO Accession & Export Diversification:

- **Year of Accession**
  - Average number of HS chapters accounting for more than 60% of exports: 4
  - 2015
  - Average number of HS chapters accounting for more than 60% of exports: 6

15 Members have had an increase in the number of HS Chapters for exported products, from the Year of Accession to 2015.
Accession & the Business Environment

- Sample of 12 Article XII Members: 2004-14
- World Bank “Doing Business” Distance to Frontier (DTF) scores for 10 indicators (e.g. Starting a Business)
- Consistent improvement across sampled members
Domestic Reforms and Growth

Members acceded pursuant to Article XII have:

• Faster trade and GDP growth
• More resilience in crises
• Increased competitiveness and export diversification
• Greater attractiveness to FDI

LDC graduation

✓ Cabo Verde (December 2007)
✓ Samoa (January 2014)
✓ Vanuatu (recommended for 2020)
End of Module 3!

Question!

What is your take-away from this module?