

11TH CHINA ROUND TABLE ON WTO ACCESSIONS

Opening remarks for Ms. Maika Oshikawa, Director, Accessions Division, WTO

Wednesday, 1 February 2023, 9h00 – 10h00

Excellencies,

Ladies and Gentlemen,

Good morning,

On behalf of WTO, I would like to extend my warm welcome to the distinguished participants of the 11th China Round Table on WTO Accessions. I am conveying the regrets from Deputy Director-General Zhang Xiangchen for his absence due to reasons beyond his control. I know how much he would like to join this event in person as Laos is very close to his heart, especially having chaired Laos' Working Party between 2009 and 2011 and feeling very proud of this country on many fronts. But he will join us virtually tomorrow from Geneva.

At the outset, let me express our deep appreciation to the Government of Lao PDR for hosting this Round Table. In October 2013, eight months after Lao became the 158th member, it hosted the second China Round Table in Luang Prabang. Today, nearly 10 years later, Lao has become the first country to host the China Round Table for the second time.

The perspective has certainly changed – today Lao is an active and experienced WTO Member making a substantive contribution to the work of the WTO. Hosting this event, which coincides with its 10th year anniversary of WTO membership, is a testament of Laos' support to accessions, especially those of LDCs, by sharing its membership experience, which is valuable for many acceding governments and Article XII members.

Personally, I feel very privileged to engage with Laos for more than 20 years and to witness closely its journey from being an acceding government to becoming a full WTO member, through the various positions I held in the WTO – first, as still a relatively young officer covering the LDC issues and the Integrated Framework, then as the Head of the Asia Pacific Desk at the WTO Institute for Training and Technical Cooperation, and then with the Accessions Division. Like my boss, I can only be proud of Lao's steady and solid achievements.

Let me also thank the Government of China for being a marvellous partner in supporting accessions, especially LDC accessions, through the China Programme since 2011. Again, I have been very lucky to have been taking part in all of the 11 China Roundtables held to date, in different parts of the world. I know how much these Roundtables have contributed to accessions, not only the thematic focus of each event which is always novel and relevant, but also the informal side conversations and advice exchanged that lead to progress in some accessions. For instance, I remember my first encounter with Mr. Axel Addy of Liberia at the Luang Prabang China Roundtable who was still very new as Chief Negotiator and did not know much about accession. (Axel was supposed to join this China Roundtable in person, but had to cancel his travel, and will join virtually on Friday from Washington DC). That is where Liberia's accession took off, advanced and completed two years later – history was made! My team and I are grateful for the excellent collaboration with China, especially the Geneva mission, for organising the Roundtable each time. It has been a real partnership.

Let me now turn to today's China Roundtable. This one is special, because, as I said, we are back in Laos after 10 years. This is also special because this is the first in-person activity we are holding with the focus on accessions outside Geneva since the pandemic. While accession activities never really stopped, we certainly missed this intimate format of engagement which has an impact

on accessions work. I would add that this Roundtable is also very timely, as this is taking place at a time when the accessions dossier is being placed high on the current agenda of the WTO, especially for LDC accessions. Let me explain this context.

Accessions has been a strategic priority for the WTO. Since its establishment in 1995, the Organization has welcomed 36 new Members, including nine (9) LDCs. These accessions have extended the reach of WTO rules to over 98% of global trade. Of equal importance is the fact that WTO accessions have systemically contributed to strengthening the multilateral trading system with respect to rule-making, as each new accession protocol has served as a building block for the system. In many instances accessions have set new, higher standards for WTO rules and have been a step ahead of the multilateral trade negotiations.

From the perspective of the acceding governments, the accession process has helped economies of different sizes and levels of development to adopt necessary regulatory reforms. In turn, this has promoted convergence towards a higher level of market integration and economic development. In most instances, this has been accompanied by higher rates of growth and improved economic resilience.

While the accession process served the multilateral trading system extremely well in the first 20 years, it has now been 7 years with no new Members joining the WTO family, after Afghanistan and Liberia which last joined in July 2016. This represents the longest period with no accessions in WTO history.

This should not be mistaken for a lack of interest in the WTO. Quite the contrary - since 2016, five (5) new accession applications came in, starting with Somalia and Timor-Leste, then South Sudan in 2017, Curaçao in 2020, and Turkmenistan in 2022, bringing the total number of established Working Parties to 24. So, why is the WTO seemingly struggling to deliver on accessions? In my view, the reasons are twofold:

- First, many current acceding countries are characterised by limited resources, lack of technical capacity, economic fragility, domestic instability or/and conflict situations;
- Second, it is no secret that the accession process has become much more elaborate, demanding, and resource-intensive, which can be quite taxing, especially for LDCs and FCS.

The combination of these 2 factors threatens the long-term viability of the process and the goal of achieving universality of Membership. Clearly, there is a need to sustain the dialogue on accessions and to seek effective ways to support and accompany those who are still in the queue for WTO membership.

This Round Table is taking place against the background of the positive delivery from the 12th Ministerial Conference (MC12) held in Geneva last June. The Conference breathed new life into multilateral negotiations by securing outcomes on a series of trade initiatives. This was a remarkable achievement following years of negotiating impasse, heightened geopolitical tensions, and weakening multilateral engagement.

On accessions, while no new Members joined, a useful guidance was given. Let me quote Paragraph 6 of the Outcome Document:

"We underscore the importance of accessions, noting that although no new accession has taken place since July 2016, several applicants have made encouraging progress. In this regard, we remain committed to facilitate the conclusion of ongoing accessions, especially for least-developed countries fully in line with the General Council Guidelines on LDC Accessions, and to provide technical assistance, where appropriate, including in the post-accession phase."

I would say that good pressure is placed on accessions. Now, the venue and date for the 13th WTO Ministerial Conference (MC13) are set: Abu Dhabi for the week of 26 February next year. With just 12 months to go, expectations are set high, and Members are fully aware of the importance of following up on the promise of MC12 and delivering substantive outcomes, including in the area of accessions.

The central theme of this Round Table is "WTO Accessions and Trade Integration: Stories from the Asia-Pacific". The Asia-Pacific region continues to be a key source of strength and dynamism for the global economy and the rules-based multilateral trading system. The region's contributions to accessions have also been significant: 10/11 members¹ joined the WTO following the Article XII accession negotiations, and 6 of them are/were LDCs, accounting for two-thirds of the LDC accessions completed to date. Today, what's left in the on-going accessions from the region are two more LDCs: Bhutan and Timor-Leste. I am glad that many of these governments which have been associated with accessions are here with us today.

This Round Table presents therefore, a timely opportunity to reflect on the contributions and systemic impact of WTO accessions from the Asia-Pacific Region on the multilateral trading system. I should also add that the accession agenda of the region has always been well supported by partners from the region, including original WTO members and regionally based institutions, which have provided technical assistance as well as political support. I am therefore pleased to see many of them in person or connecting virtually today, which have been part of the successful accession efforts from the Asia and Pacific region. This is something that other regions, still with many remaining accessions can learn.

Let's look ahead at the programme for the next 3 days. This afternoon, we will have a dedicated session on the results of MC12 and the state of play in the WTO's current work in preparation for MC13. As the world is going through a period of dramatic and rapid change, the WTO must continue to adapt to stay relevant. This was summed up by WTO Director-General Ngozi Okonjo-Iweala in a statement delivered to WTO Members at the most recent meeting of the WTO's General Council.

I quote: *"Part of the reason why the WTO has become quite important in the discussions that are ongoing now is because we contributed at a time when leaders thought they needed a multilateral organization that functions that shows that global solidarity matters. We stepped up to the plate and we delivered. We must step up now and further contribute."* End quote.

Members' engagement is indeed much needed. But acceding governments, as observers, also have a role to play by actively following all areas of WTO work. In particular, they can contribute by enhancing transparency, participating in Joint Initiatives, co-sponsoring proposals and statements on trade and supporting the objectives of MC13. I am optimistic that the multilateral trading system will endure and be improved as long as all stakeholders remain actively engaged in the conversation. And the region has an important role to play in this conversation.

This Round Table is, of course, also a celebration. I would like to offer my congratulations to Laos - one day in advance of everyone - on the celebration of its 10th anniversary, which will be the focus of the programme tomorrow. The highlights will include a High-Level session on Lao PDR's 10-Year Anniversary and the presentation of the study "Lao PDR: a Retrospective on 10 years of WTO Membership", prepared by our former Chief Economist Patrick Low who will join us in person tomorrow. By most accounts, Lao PDR has set a high standard for LDC participation in the WTO. Tomorrow's discussions will no doubt shed light on how Lao leveraged the accession process to its advantage and what has been its experience of WTO membership.

This edition of the China Round Table will also pay special attention to the particular needs of LDCs with a dedicated session to share the latest experiences and discuss best practices for LDC accessions and post-accession. Eight LDCs remain in the process of WTO accession: Bhutan, Comoros, Ethiopia, Sao Tomé et Príncipe, Somalia, South Sudan, Sudan and Timor-Leste. Two of these countries, Comoros and Timor-Leste, are getting very close to crossing the finish line.

At the same time, some LDCs are still at the starting gate. And while we are very much looking forward to welcoming new members hopefully before or at MC13 in Abu Dhabi, we are equally driven by the objective of injecting fresh dynamism in all LDC accessions, for instance, Bhutan and Sudan. There is undoubtedly much to learn from sharing experiences and sustaining the conversation between accession negotiators, past and present. The objective of these

¹ Mongolia, China, Chinese Taipei, Nepal, Cambodia, Vietnam, Tonga, Samoa, Vanuatu, Lao PDR & Afghanistan.

discussions will be to give additional impetus to LDC accessions, at all stages of the accessions process. The demands on the immediate post-accession phase will also be discussed.

We are privileged to have with us at this Roundtable a great mix of experienced negotiators and trade experts. I hope that participants at the Round Table make the best use of these contacts and resources to advance the individual accession project. As negotiators, you should know that the best progress in most negotiations gets done outside the formal process – often over coffee, drinks, lunches and dinners. I am sure that Lao PDR's hospitality can provide a very conducive environment for this purpose.

We have a packed agenda ahead of us that, I am sure, will provide a solid basis for useful and productive discussions. I hope that the exchanges over the next three days can inject positive momentum not only in ongoing accessions but also in the multilateral trading system.

With these thoughts and my best wishes, I conclude my opening remarks.

Thank you.
