



No Multilateral Outcomes at the 11th Ministerial Conference

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The Minister of Trade and Industry, Dr Rob Davies, has arrived back in South Africa after attending the 11th World Trade Organisation (WTO) Ministerial Conference (MC11) that was held in Buenos Aires, Argentina, for 10-13 December 2017. The Ministerial Conference was also attended by Minister Senzeni Zokwana, Minister of Agriculture, Forestry and Fisheries and Deputy Minister of Trade and Industry, Gratitude Magwanishe. The Ministerial Conference is the highest decision making body in the WTO and was attended by delegates of the 164 countries which are members of the WTO, as well as a number of observer countries.

There were no substantial outcomes at MC11 and no consensus could be reached on a ministerial declaration. The Ministerial Conference ended with a Chair's summary of proceedings at MC11. There were agreements to secure a deal on elimination of fisheries subsidies by the next ministerial in December 2019. The other decision at MC11 was on e-commerce where it was agreed to continue with the work under the current e-commerce work programme and that member states will endeavour to reinvigorate the work. Another key decision was the establishment of a Working Party for the accession negotiations of South Sudan.

Minister Davies said that in the many meetings in the run up to MC11 there was consistent calls for a "moment of truth" to decide which issues are ripe to bring to the Ministerial Conference. That approach was not followed leading to many issues being put on the table at the Ministerial Conference where sufficient consensus was not reached with widely different views on the issues by Member States which made it impossible to reach consensus at the meeting.

During the last Plenary Session at the Ministerial Conference, Minister Davies expressed disappointment that no in depth discussion on "inclusive multilateralism" took place at the Ministerial Conference.

"We missed an opportunity for a political conversation on what is multilateralism, where does it go and how does it promote prosperity and inclusive growth for all of us."

Minister Davies said that the reason that there were no comprehensive outcomes is that there is a clash of paradigms.

"What we have seen before us, and what should be addressed, in the informal discussions called for by the Chair of MC11, Suzanne Malcorra, is the absolute clash of paradigms here. We have one paradigm that asserts that the way we create a more prosperous world is that we all abide by the same set of rules on the same level and standard; and with very little or any differentiation between us. This view is asserting that what is wrong with the WTO is that in the name of special and differential treatment there has been too many exceptions for the poorer countries amongst us."

"With respect I have to say that many of us from the developing world frankly do not agree with that. The paradigm that we support is that as developing countries it is absolutely necessary and imperative that we have an opportunity to industrialise, diversify, move up the value chain and not remain stuck where we are as producers and exporters of primary commodities. That is going to require that we have access to the very same tools that the Developed world used in its journey to become developed. Therefore, we need a differentiated set of obligations and a differentiated set of rules that deals directly with the problems of development".

Minister Davies also called for an inclusive approach to the role out of new trade issues like e-commerce.

"The caution of many of us on e-commerce is not because we are not understanding or aware that this is an important change that is happening in the world but because we understand that it is change that is happening that is extremely important and disruptive. We therefore think that it poses huge development challenges and there is therefore a need to ensure that it is rolled out in such a way that it is inclusive and developmental."

Earlier in the Conference Deputy Minister Gratitude Magwanishe said that "Members should be embracing a model of 'inclusive multilateralism' to make the WTO more relevant and responsive to the needs of developing and least developed countries".

The lack of substantive outcomes in MC11 means that the outstanding issues under the Doha Development Agenda remain unresolved, especially on agriculture where major market distortions are still prevalent. It was also disappointing that there were no outcomes on Special and Differential Treatment which should be one of the core principles that drives the development agenda in the WTO and all its work programmes. However, the work in Geneva will continue towards resolving the outstanding issues under the existing mandates. In addition, there was a wide acknowledgement that in response to South Africa's call for inclusive multilateralism that a more indepth discussion is needed on multilateralism that promotes inclusive growth and sustainable development.

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