



WORLD TRADE ORGANIZATION
ORGANISATION MONDIALE DU COMMERCE
ORGANIZACIÓN MUNDIAL DEL COMERCIO



FES/WTO Asia Regional Dialogue on

“What future for the Multilateral Trading System? - Development Perspectives from Asia”

Manila, 4-5 June 2007

Background:

The current multilateral trading system is, even at its 60th anniversary, under continuous pressure for further reforms in favour of the interests of developing countries. Some of the imbalances that persist in the international trading order do require corrections. WTO Director-General Pascal Lamy stated in a speech before the European Parliament in October 2006: “It is as if economic decolonization had had to wait 50 years after political decolonization”. In the agricultural sector, for instance, industrialized countries spend huge amounts of trade-distorting domestic support and export subsidies that undermine the comparative advantages of developing countries in agricultural products. In the industrial sector, developed – and developing countries – shield their most sensitive products by high tariffs, tariff escalation and peak tariffs. Moreover, non-tariff barriers to trade such as complicated rules of origin hinder the market access to major export markets. This discourages developing countries from investing in higher value-added production and benefiting from both higher wages and profits.

The Doha “Development” Round was initiated in 2001 in order to correct some of these imbalances and to integrate developing countries better into the multilateral trading system and help them reaping the benefits of increased market access opportunities. The current round is the first one of multilateral negotiations, in which developing countries are actively involved and fight strongly for their offensive and defensive interests. However, the negotiations have not advanced substantially and a number of missed deadlines have led to a creeping erosion of confidence in a successful outcome, seriously jeopardizing a pro-development outcome. After having been stalled in July 2006, negotiations were resumed in February 2007 even though the positions of key actors have not changed yet. Currently, WTO members are pushing hard to reach a breakthrough before the end of June 2007, when the US Trade Promotion Authority ends and the political climate will make consensus even more difficult.

As a result of the protracted and seemingly deadlocked negotiations, the multilateral trading system and the World Trade Organization (WTO) face a tremendous challenge in overcoming the growing skepticism and lack of confidence in the chances of a successful conclusion of the Doha negotiations. Tendencies are emerging to engage more intensively in bilateral and regional trade negotiations, in which smaller developing countries may have less bargaining power. These trends raise the question on how development objectives via trade can best be accomplished and in what way its effect on broader issues such as employment, labour rights or sustainability require greater consideration in trade negotiations.

Before this background the Friedrich-Ebert-Stiftung and the Secretariat of the World Trade Organization jointly organize a dialogue with different stakeholders from Asia to discuss the future of the multilateral trading system. The dialogue aims at discussing the current state of play in the Doha negotiations, the challenges for Asia in this respect and the role and involvement of the system's stakeholders in the negotiating processes.

Conference Venue:

Columbus Room,
42nd floor, Discovery Suites
Metro Manila, Philippines

Participants:

Participating in the conference will be representatives from the WTO, government officials, business representatives as well as civil society organizations, trade unions and academics from approximately 8 Asian countries and Europe.

Organization:

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Programme

Sunday, 3 June 2007

Arrival of International Participants

Evening Informal Welcome Dinner

Monday, 4 June 2007

9.00-10.00 **Opening Session**

Welcome Remarks

Mirko Herberg, Director, FES Philippine Office
Willy Alfaro, Director, WTO External Relations Division

Keynote Address

Wigberto Tañada, Convenor, Fair Trade Alliance

10.00-10.30 Coffee/Tea Break

10.30-12.30

1st Panel “The Doha Development Round – State of Play, Expectations and Bilateral/ Regional Alternatives”

This session intends to capture the essences of the current debates for the consideration of the workshop. It is expected that the challenges of the Doha Round negotiations and its possible conclusion be assessed in the light of alternative trade arrangements and the consequences these entail.

Chair: **Ganesh Wignaraja**, Office of Regional Integration, ADB

Willy Alfaro, WTO External Relations Division

Feng Jun, Shanghai WTO Affairs Consultation Center, China

Parashar Kulkarni, Centre for Trade and Development, India

Gibin Hong, Financial Economy Institute, Korea

Navin Dahal, South Asia Watch on Trade, Economics & Environment (SAWTEE), Nepal

12.30-14.00

Lunch Break

14:00-16:00

2nd Panel “The Doha Round Negotiations – What’s in it for development?”

The Doha Round was baptized as a “development” round. While the meaning of such as “development round” has never been clearly defined, the current negotiations are held under the predominance of parochial interests. This introduction is meant to recapture how trade has contributed to development in Asia and to assess where and why it has failed to do so, and what could be expected from the current multilateral negotiations. From this starting point, the ensuing panels assess what would be development-friendly solutions in the most important negotiation areas.

Dr. **Mia Mikic**, UN-ESCAP, Bangkok

Topic 1: Agriculture

Agriculture is still the backbone of many Asian countries’ economies and provides employment to millions of people. Nevertheless, agricultural markets remain highly distorted, endangering the livelihood of many (subsistence) farmers. But how can these imbalances be reformed to provide for sufficient farmers’ income, rightly priced food and food security? How is development defined for the agricultural sector and how can the differing interests among Asian countries be reconciled in a multilateral framework?

Chair: **Willy Alfaro**, WTO

Dr. Nguyen Do Anh Tuan, Center for Agricultural Policy, Vietnam

Tahir Hasnain, Economic Justice & Development Organization, Pakistan

Anne-Laure Constantin, Institute for Agriculture and Trade Policy

Segfredo Serrano, Department of Agriculture, Philippines

16:00-16:30 Coffee/Tea Break

16:30-18:30 **Topic 2: Non-Agricultural Market Access (NAMA)**

The majority of Asian countries are expected to benefit from multilateral trade liberalisation in the area of manufactured goods since they already apply comparatively low tariffs. In the past, the industrial development of Asian tiger economies has taken place behind protective shields and with pro-active industrial policies. What policy measures are available to achieve a “new Asian Miracle” under liberal trade regimes? Who would benefit from further liberalization and how can negative effects be mitigated?

Chair: **Prof. Rene Ofreneo**, University of the Philippines

Elmer Hernandez, Board of Investments, Philippines

Donald Dee, Philippine Chamber of Commerce and Industry

Esther Busser, International Trade Union Confederation (ITUC)

Charles Santiago, Monitoring Sustainability of Globalisation, Malaysia

Discussion

19:00 Dinner Reception

Tuesday, 5 June

9:00-11:00 **Topic 3: Services**

The service sector accounts for a significant share of GDP in most economies and is growing rapidly. Services such as transportation and telecommunication are an important part of a country's (export) infrastructure. However, experiences of liberalizing the service sector have been ambiguous. This panel explores the effects of services liberalization to national development and the creation of decent employment. It also assesses the risks of opening up, how the interests of Asian developing countries would be served best in the current negotiations and what national processes are likely to contribute to development-friendly negotiation positions.

Chair: **Dr. Gloria Pasadilla**, Philippine Institute for Development Studies

Bernard Kuiten, WTO External Relations Division

Cherrylyn Rodolfo, University of Asia and the Pacific, Philippines

Parashar Kulkarni, Centre for Trade and Development, India

Deshal de Mel, Institute for Policy Studies, Sri Lanka

Christopher Ng, UNI-APRO, Singapore

Discussion

11.00-11.30	Coffee/Tea Break
11.30-13.00	<p>3rd Panel “Decision-making processes in trade negotiations – Actors perspectives”</p> <p><i>Trade agreements have far-reaching implications and affect many people. It is therefore necessary to assess, on the one hand, how negotiation positions within a country are derived at and, on the other hand, how country and sectoral representatives are included in the multilateral negotiation arena and how this affects both quality and legitimacy of such negotiations.</i></p> <p>Chair: Edsel Custodio, Department Foreign Affairs, Philippines</p> <p>Willy Alfaro, WTO Segfredo Serrano, Department of Agriculture, Philippines Benny Kuruvilla, Focus on the Global South, India Bonnie Setiawan, Institute for Global Justice, Indonesia</p> <p>Discussion</p>
13.00-14.30	Lunch Break
14.30-16.30	<p>4th Panel “Looking Beyond Mere Trade Agreements – The Impact of Trade on Employment and Labor Rights”</p> <p><i>Global trade does not take place in a vacuum but is interlinked with various other policy areas, such as environment, employment, human and labor rights. This increases the need for greater coherence at both national and multilateral level. However, these cross-cutting issues have been kept outside of most trade agreements, since they touch upon sensitive issues like national sovereignty. Nevertheless, there is a continuing clamor by various stakeholders to consider these issues more carefully. This session intends to explore some possible and promising approaches and to discuss how to increase coherence at all levels.</i></p> <p>Chair: Steffen Grammling, FES Geneva</p> <p>Duncan Campbell, International Labor Organisation, Geneva Bernard Kuiten, WTO Tony Salvador, IDEALS, Philippines Melisa Serrano, University of the Philippines</p> <p>Discussion</p>
16.30-17.00	Coffee/Tea Break
17.00-18.00	<p>Closing - Outlook Bernard Kuiten, WTO Steffen Grammling, FES Geneva</p>
19.00	Informal Farewell Dinner