USDA Outlook Forum
Life After DOHA

The Geneva Mix: Multilateral and Regional Trade Liberalization
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The Growth of Regional Trade Agreements

RTAs

• Some 380 RTAs notified up to July 2007 (300 under Article XXIV, 22 under the Enabling Clause, 58 under GATS Article V

• 205 agreements were in force

• Perhaps 400 RTAs in force by 2010

• 1948-1994, the GATT received 124 notifications of RTAs

• Since 1995, over 240 additional arrangements
Tomorrow’s Trade Agenda

• Regulatory Issues
  – REACH Directive
  – Biotech WTO case
  – More issues are certain to arise
• TBT and SPS Agreements
• Energy and trade
• Climate Change – carbon emissions – capping/trading
• There will still be agriculture subsidies
Practical Questions

- Many issues can only be effectively addressed at multilateral level
- Agricultural support programs – all the key actors need to be at the table
- Anti-dumping – how many different trade remedy regimes is one country prepared to have?
- Technical barriers and sanitary measures – are different rules feasible?
- Energy and carbon issues - these are truly global in scope
Advantages of Regional Approach

- Faster progress
- Deal with cross-border and regional issues
- Sometimes seen as less threatening, particularly to smaller economies
- Multilateral and Regional Agreements Can Be Complementary
- Many agreements are no longer “regional”
- Multilateralising regionalism
What Does Business Think?

• Business will support any negotiation that deals with real problems
• But one set of rules makes doing business a lot simpler
• Rules of origin are a nuisance to global sourcing
• Multilateral elimination of duties is a realistic medium term objective
Free trade - the hard way

**Bilateral Agreements**
- Concluded recently
- Negotiations under way or planned
- Proposed or being considered

**Regional Agreements**
- **In force**
  - EU: European Union (15 members)
  - Nafta: North American Free Trade Agreement (US, Mexico, Canada)
  - Caricom: (Caribbean Nations)
  - Mercosur: (Brazil, Argentina, Uruguay, Paraguay)
  - Southern African Customs Union (S. Africa, Botswana, Lesotho, Namibia, Swaziland)
  - Efta: European Free Trade Agreement (Norway, Iceland, Switzerland, Liechtenstein)
  - Afta: Asean Free Trade (all Asean members: Brunei, Cambodia, Indonesia, Laos, Malaysia, Burma, Philippines, Singapore, Thailand, Vietnam)
  - Andean: (Bolivia, Colombia, Ecuador, Peru, Venezuela)
- **Planned**
  - FTAA: Free Trade Area of the Americas (every western hemisphere state except Cuba)
  - EU enlargement to 10 new members (target date 2004)