

SIDLEY AUSTIN LLP

SIDLEY

BEIJING BRUSSELS CHICAGO DALLAS FRANKFURT GENEVA HONG KONG LONDON LOS ANGELES NEW YORK SAN FRANCISCO SHANGHAI SINGAPORE TOKYO WASHINGTON, D.C.



USDA Outlook Forum

Life After DOHA

The Geneva Mix: Multilateral and Regional Trade Liberalization

February 21, 2008

SIDLEY AUSTIN LLP

SIDLEY

BEIJING BRUSSELS CHICAGO DALLAS FRANKFURT GENEVA HONG KONG LONDON LOS ANGELES NEW YORK SAN FRANCISCO SHANGHAI SINGAPORE TOKYO WASHINGTON, D.C.



Presentation by John M Weekes

senior policy adviser – previously Canadian ambassador to GATT, chief NAFTA negotiator, ambassador to WTO

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 Agreement

- ★ 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, Lichtenstein)
- Afta: Asean Free Trade (all Asean members: Brunei, Cambodia, Indonesia, Laos, Malaysia, Burma, Philippines, Singapore, Thailand, Vitenam)

- Andean: (Bolivia, Colombia, Ecuador, Peru, Venezuela)
- ACP: (African, Caribbean and Pacific countries)
- Planned**
- FTAA: Free Trade Area of the Americas (every western hemisphere state except Cuba)
- EU enlargement to 10 new members (target date 2004)

