Food & Agriculture Trade Update
October 6, 2020

Provided by CRA

HIGHLIGHTS

- **U.S. – China:** A House Republican China Task Force recommended pursuing a China phase two deal and collaborating with other trade partners to solve the China challenge. In contrast, President Trump issued an Executive Order to potentially raise tariffs and lessen U.S. reliance on Chinese critical mineral imports.
- **U.S. – U.K.:** USTR's Gregg Doud, expressed optimism that a U.S.-U.K. free trade deal will allow for increased beef, pork, and poultry trade. A fifth round of trade talks are expected later this month.
- **USMCA:** Mexico said its prepared for an anticipated U.S. labor complaint announced by the AFL-CIO last month.
- **WTO:** The long-anticipated arbitrator ruling on the EU's WTO subsidy case against Boeing was announced at $4 million. The WTO announcement paves the way for the EU to impose tariffs on $4 billion on U.S. exports.

China Trade

- The Republican House of Representatives China Task Force released a report on recommendations that address China's aggressive economic behavior. Regarding trade, the task force committee recommends increasing collaboration with allies (Japan, UK, EU), establishing a trade agreement with Taiwan, advancing a Phase Two, and WTO reform:
  - Congress should engage in close consultations with the Administration under the Bipartisan Congressional Trade Priorities and Accountability Act (TPA) rules and procedures to negotiate new trade agreements and other arrangements to counter CCP directed influence by strengthening economic and geostrategic ties, establishing strong and ambitious rules and standards globally based on U.S. law, and creating new export opportunities for U.S. manufacturers, farmers, and service providers.
  - The Administration should work to deepen trade ties with Taiwan and resolve specific outstanding trade issues, taking the steps to launch trade agreement negotiations once those issues are addressed.
  - Congress should intensify its engagement with the Administration to develop a strategic plan for Phase Two negotiations with the PRC based on a unified U.S. approach that will convey the message that the cost will be high if it refuses to engage in good faith Phase Two negotiations. This strategic plan should address the full range of remaining PRC trade barriers that undermine American competition, including the use of subsidies to grossly distort global markets and create overcapacity; dominance of state-owned enterprises to dictate the terms of trade, data, and other localization requirements that mandate use of PRC servers and products; and remaining forced technology transfer and joint venture requirements that seize the crown jewels of American innovation as a cost of doing business in the PRC.
  - Congress should work through the WTO, together with the Administration and allies, on developing reforms and new rules and disciplines to address the threats the CCP poses; advance U.S. policy positions, rules and standards and build alliances with other member countries to counter the CCP's influence and best address the CCP's economic aggression.
- President Trump took another step to decouple U.S. reliance on China, threatening U.S. tariffs and issuing an Executive Order increasing domestic mining to lessen U.S. reliance critical minerals from China.
- "A strong America cannot be dependent on imports from foreign adversaries for the critical minerals that are increasingly necessary to maintain our economic and military strength in the 21st century," the President said in the Executive Order. The Order noted 35 minerals that are "essential to the economic

and national security of the United States," have supply chains that are "vulnerable to disruption" and serve "an essential function in the manufacturing of a product, the absence of which would have significant consequences for our economy or our national security." Of the 35 critical minerals identified, 14 are not produced in the United States.

- "China has exploited its position in the rare earth elements market by coercing industries that rely on these elements to locate their facilities, intellectual property, and technology in China." The President, declaring a national emergency in the Order, calls for a multi-agency report led by the Secretary of Interior to advise on whether the imposition of tariffs or quotas or other import restrictions against China and other non-market foreign adversaries are required.
- The Order also calls for the United States to:
  - Develop secure critical minerals supply chains that do not depend on resources or processing from foreign adversaries;
  - Establish, expand and strengthen commercially viable critical minerals mining and minerals processing capabilities; and
  - Develop globally competitive, substantial and resilient domestic commercial supply chain capabilities for critical minerals mining and processing.

Phase One Agreement

- U.S. Department of Agriculture Secretary Sonny Perdue raised doubts over China's fulfillment of its purchasing commitments for agriculture products in the Phase One Agreement. In spite of a considerable buying increase in August and September of around 12 million ton of soybeans and 4 million tons of corn, Perdue stated, "I'm not sure they're going to make it, but they're trying. Non-agricultural trade issues get in the way."
- China's year-to-date U.S. agricultural product purchases are 44% off the pace needed to meet the overall purchase level in the phase one deal. The purchase levels are slightly improved from the 47% lag the prior month. China's 2020 agriculture purchases through June totaled $7.7 billion and are significantly below the $13.8 billion year-to-date level that is needed to meet the phase one commitments based on the target value, the historical pace, and the baseline year set out in the agreement.

USMCA

- Mexican economic secretary Graciela Márquez Colín indicated the readiness of the government to respond to a U.S. labor compliant under USMCA. The AFL-CIO complaint is likely to be filed under USMCA's facility-specific rapid-response mechanism, a tool which would be utilized for the first time. Márquez Colín stated, "We're ready to respond, we're ready to implement the rapid-response mechanism, but we do not expect [it]." She added, "We need to receive the request, [then] we will act promptly and according to what was regulated." In preparation of a response, Mexico also recently established a rapid-response labor mechanism task force.
- As noted earlier, the AFL-CIO intends to file the first USMCA labor complaint against Mexico. Richard Trumka, AFL-CIO President stated, "We will file a case within the next 30 days." The complaint could utilize the USMCA's facility-specific rapid-response mechanism, a mechanism inserted as an annex into the USMCA after intense negotiations between House Democrats and USTR. The other filing mechanism is via the USMCA labor chapter provision. "We think that when we do the rapid-response, and if we're able to block products from coming in, it will get their attention real fast and they will understand that they will have to change and comply with the law."
- As reported earlier, Senators Schumer and Gillibrand are urging USTR to ensure Canada fulfils its commitments on dairy market access under the USMCA. In a letter to Amb. Lighthizer and Secretary Perdue the Senators stated, "We write urging you to ensure that both Canada and Mexico are held accountable to their dairy trade obligations in the agreement." "It is of particular importance that dairy farmers in New York and across the country – many of whom are struggling as a result of this unprecedented economic crisis – fully benefit from the expanded market access opportunities and the elimination of unfair practices under USMCA." The letter expressed concern with Canada's dairy tariff-

rate quota (TRQ) allocation, disadvantaging the U.S. dairy exporters and a lack of transparency in the process.

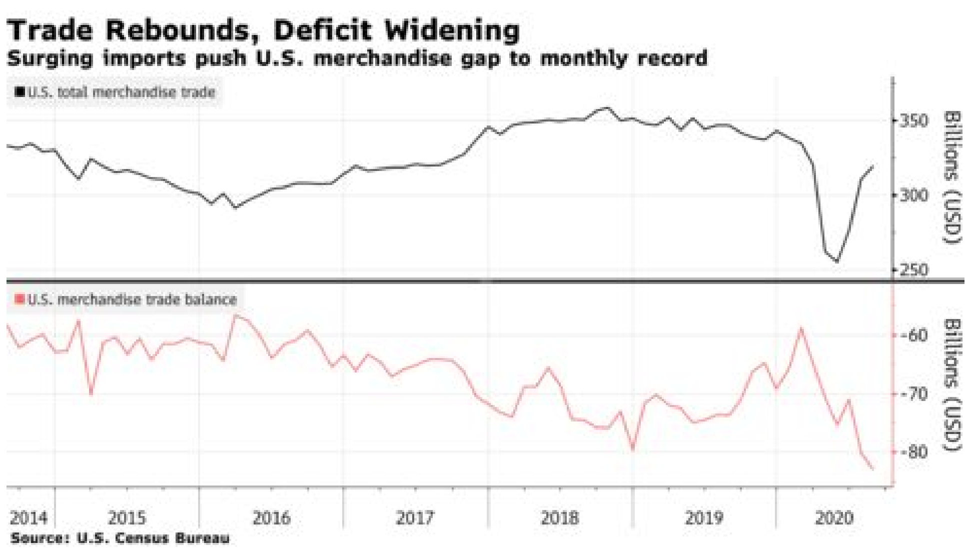
U.S.-U.K. Trade Agreement


Gregg Doud, USTR Chief Agricultural Negotiator

- Gregg Doud, the USTR's top agricultural negotiator indicated that a U.S.-U.K. free trade deal will allow for increased beef, pork, and poultry trade. Doud stated, "I don't believe that the U.K.'s mindset on this is the same as the European mindset. I fundamentally believe that that's the reason they want to extract themselves out of the E.U. They want to get away from this protectionist, precautionary mindset in the use of technology in agriculture." Current obstacles to agriculture trade include Britain's aversion to ractopamine and growth hormones, which restrict U.S. pork and beef exports. Separately, Deputy Secretary of USDA, Stephen Censky, expressed similar optimism on the trade talks stating, "We just finished our fourth round of negotiations with the U.K. and I'm still optimistic about getting an agreement and addressing some of our long-standing barriers that we've had there."
- The U.K. reaffirmed its desire to reach a U.K.-U.S. trade agreement by the middle of next year, prior to the expiration of the Trade Promotion Authority. Lis Truss recently acknowledged progress in negotiations by stating, "We've pretty much laid all the text on both sides. We are now in a position of consolidating those texts, so if you like that's laying the foundations of the deal." A fifth round of bilateral talks are expected later this month, the last round prior to the U.S. presidential election.

COVID-19 Developments

- The U.S. merchandise-trade deficit unexpectedly widened in August to $82.9 billion from $80.1 billion in July. Imports rose by 3.1% to a seven-month high of $201.3 billion while exports increased 2.8% to $118.3 billion as companies continue to replenish depleted inventories and some manufacturing sectors continued gradually increasing production that often relies on imported inputs.



U.S. – Vietnam Trade

- USTR announced a section 301 investigation into Vietnam's currency and timber practices. The USTR press release stated, "USTR will investigate Vietnam's acts, policies, and practices related to the import and use of timber that is illegally harvested or traded, and will investigate Vietnam's acts, policies, and practices that may contribute to the undervaluation of its currency and the resultant harm caused to U.S.

commerce." Section 301 of the Trade Act of 1974 is the same authority the Trump Administration used to impose tariffs on billions of dollars' worth of Chinese goods and to investigate digital services taxes being considered or implemented by France and several other countries.

- The section 301 investigation follows a determination by the Departments of Commerce and Treasury in August that determined Vietnam had manipulated its currency. In the determination the agencies reported that, "Treasury has determined that Vietnam in 2019 undertook 'government action on the exchange rate' that contributed to the undervaluation of the dong," The report continued, "We conclude that the Vietnamese government – through the State Bank of Vietnam – undertook net purchases of foreign exchange in 2019 totaling about $22 billion."
- The announcement was rumored earlier in the week and Vietnamese officials were aiming to dissuade the White House from taking action. "Vietnamese relevant agencies are now in contact with the U.S. side to verify this information," Foreign Ministry spokeswoman Le Thi Thu Hang said during a briefing in Hanoi. Vietnam is among the U.S.'s 10 biggest trading partners. The U.S.'s goods-trade deficit with the Asian nation this year reached $34.8 billion by July, one of the largest behind China, Mexico, and other large trade partners.

Section 232 Tariff Actions

Ongoing 232 Investigations

- As reported earlier, the Department of Commerce reopened the comment period in the Vanadium 232 investigation after the initial petition triggering the investigation was finally posted. In the *Federal Register* notice, Commerce announced that, "Today's notice reopens the public comment period with a deadline of October 9, 2020."
- The Vanadium investigation is one of three ongoing 232 investigations at the Department of Commerce under "threat to national security" provision contained in section 232 of the Trade Expansion Act of 1962. The other investigations involve transformer parts and mobile cranes. The Department of Commerce has 270 days to provide a report to President Trump determining whether the imports in question threaten to impair U.S. national security, along with a recommendation for action. The President will then have 90 days to determine whether to impose restrictions so that imports no longer threaten national security.

Trade and U.S. Election

- Biden continues to campaign on resolving trade tensions with China by promising to remain tough, but without using new tariffs. Biden's campaign said, "Agriculture lost billions of dollars that (U.S.) taxpayers had to pay. We're going after China in the wrong way. China is stealing intellectual property. China is conditioning being able to do business in China based on whether or not you have 51% Chinese ownership. That's got to end." To confront China, Biden states he would, "stand up to China by working with our allies to negotiate from the strongest possible position."
- As reported earlier, the Trump campaign is seeking to address demands of U.S. corn-based ethanol producers to cultivate support from the Midwest states according to a recent report. A memo from a meeting with Senators from Midwest states in 2019 indicated the goals include, "ratcheting down the EPA's biofuel waiver program exempting refineries from adding ethanol to their gasoline; setting higher biofuel blending volume requirements for 2020; expanding the market for higher ethanol blends of gasoline called E15; exploring a national biofuels infrastructure program; and addressing ethanol and biodiesel trade issues, particularly with Brazil". Trump's recent actions to meet these goals suggest the political importance of ethanol.

U.S.-Japan Trade Developments

- As reported earlier, Rep. Adrian Smith (R-NE) advocated advancing the U.S.- Japan Phase Two trade deal. In a statement, Smith wrote, "After much negotiation, Phase One -- which reduced tariffs on an estimated 90 percent of food and agriculture products exported to Japan -- was a great accomplishment. However, there is much more to be done." Phase Two according to Smith would include goods such as automobiles, pharmaceuticals, and insurance services.

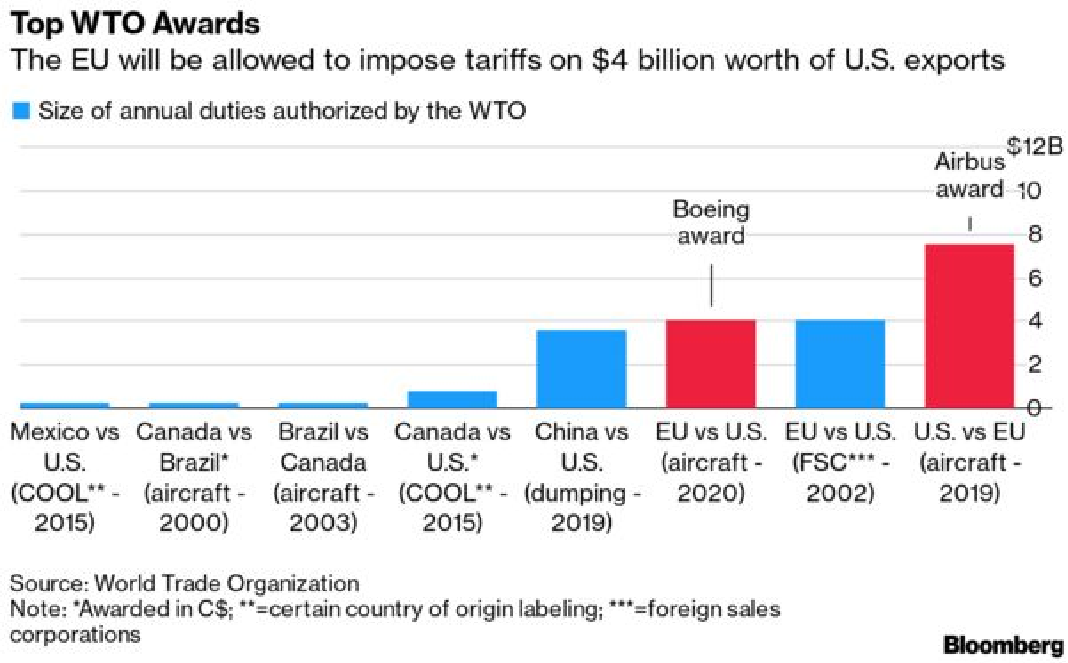
- In contrast, Rep. Stephanie Murphy (D-FL) has criticized the Phase One trade deal between the U.S. and Japan saying the deal is "unworthy of our relationship." A mini-deal, she added is a "substandard for everybody and not only is it bad for our economy, it's bad for our national security and national-regional stability." Murphy argued that TPP would have better bolstered the U.S. economic influence in the Asian region.
- USTR remains fairly quiet on timing of phase two talks with Japan. Earlier this year Amb. Lighthizer conceded that the coronavirus has delayed phase two negotiations with Japan. During Congressional testimony, Amb. Lighthizer said he would expect the phase two talks to start "in the next couple of months." Prior to the outbreak of COVID-19, commencement of negotiations on a phase two or a comprehensive trade deal were expected no earlier than May according to sources.

U.S. – EU Trade

- Ted McKinney, USDA's Undersecretary of Agriculture for Trade and Foreign Agricultura Affairs, criticized the EU's Farm to Fork initiative as "misguided" and stating it will cause a "battle royale" in U.S.- EU trade. The Farm to Fork plan calls for a reduction in the amount of pesticides, fertilizers, and nutrients permissible in agricultural goods. McKinney indicated that 35 countries have expressed their concern over the Farm to Fork strategy.
- The USDA and USTR support negotiations over new organic regulations with the EU. Rather than signing a deal, the EU requests a trade agreement, implying the need for US congressional approval. With a deadline of Dec. 31, 2025, the details remain uncertain. An important provision in organic regulations is the equivalency agreement within the current U.S.-EU organic deal. Miles McEvoy, who led the negotiations on the U.S. in 2021 organic deal states, "If there's a new agreement in 2025, you would hope that that would be included because it would be very difficult if it was not. Both sides would have an interest in allowing products from third-party countries … in the final processed product."
- The EU Trade Commissioner-designate Valdis Dombrovskis opined that a Biden administration would likely see more progress on bilateral trade issues rather than a Trump II administration given Trump's "unilateral" policy approach. Dombrovskis, former Latvian prime minister and one of three EU executive vice presidents, "It's difficult to speculate at the current stage, but I think in any case we need to work with the U.S. and we need to engage," "Probably under a new administration it would be easier because we know that the Trump administration is unfortunately supporting this unilateral action in the area of trade, which is creating a lot of tensions and a lot of problems. But in any case, we will need to work closely and deliver positive results where we can." Dombrovskis, who stepped into the role following the resignation of Irishman Phil Hogan, was responding to questions before the European Parliament's Trade Committee on how he is preparing for the outcome of the U.S. presidential election.

Civil Aircraft Disputes

- The long-anticipated arbitrator ruling on the EU's WTO subsidy cased against Boeing was announced at $4 million. The WTO announcement paves the way for the EU to impose tariffs on $4 billion of U.S. exports over illegal government aid provided to Chicago-based Boeing, possibly triggering an anticipated round of retaliatory tariffs on American products. The $4 million judgement was smaller than the $12 billion the EU had expected and much higher than the $300 million that the U.S. argued was appropriate.
- The EU had previously said it would the impose tariffs immediately upon the WTO arbitrator's decision to counteract $7.5 billion of tariffs the U.S. imposed EU goods after a separate favorable WTO ruling against Airbus' illegal launch aid program. Presently it's unclear whether the EU will move quickly to trigger its tariffs against the U.S. or await the outcome of the Nov. 3 election.
- The WTO award level in the Boeing dispute settlement ruling at $4 million ranks third, behind the Foreign Sales Corporation (FSC) case and the U.S. case against Airbus' illegal launch aid.



French Digital Services Tax

- Belgium has announced its commitment to a digital service tax by 2023 if no international tax deal at the OECD is reached. The agreement states, "The advanced digitization of our society has shown that the traditional international and national tax rules are not aligned with the digital economy. Companies active in the digital economy all too often don't pay taxes at the place where the value is created (where the users are located). This can lead to unfair competition." France remains steadfast in its plans for a digital tax as well.
- The OECD's "Inclusive Framework," an international digital tax agreement, is likely to miss the end-of-year deadline according to several officials. More than 130 countries are participating in the OECD's "Inclusive Framework" negotiations on an international tax structure. Next week the OECD is expected to release a draft text for public review but is likely to miss the deadline. Consequently, retaliatory tariffs on French products by the U.S. becomes more likely while France could advance its digital tax in 2021. France suspended imposing the digital tax 180 days to promote a solution through OECD talks on a broader digital tax accord but is urging the European Commission to make a formal proposal for a digital tax in the first quarter of 2021 anticipating unsuccessful OECD talks.
- Earlier in the year, USTR threatened section 301 tariffs on French goods before both sides agreed to pursue OECD talks aimed at securing an international agreement. The pending USTR tariff list covers $1.3 billion worth of French goods including 25% tariffs on soap, handbags and cosmetic products (fashion tariffs). Other sensitive products, like French wine and cheese, were not included. The tariffs are delayed up to 180 days (i.e. Jan. 6, 2021) – as long as France continues to defer imposition of the tax. The potential tariffs result from a Section 301 investigation in which USTR concluded and announced it had found France's tax would discriminate against U.S. companies.

U.S.-Brazil

- The Brazilian government is requesting more access to the U.S. sugar market through an increase in the TRQ. The U.S. meanwhile would like to see Brazil abandon its tariff on U.S. ethanol. The two sides have yet to reach an agreement. While the U.S. temporarily increased the Brazil TRQ for by 80,000 metric tons for fiscal year 2020 to address a temporary disruption in the market, Brazil seeks a perpetual increase in the annual USDA quota. Gregg Doud, the U.S. Trade Representative's top agriculture negotiator said increasing the U.S. tariff on Brazilian ethanol is a possibility and stated, "I'd like to have more access to the Brazilian market than we have."

- The 11th United States-Brazil CEO Forum, which consists of 19 CEOs and various high-level government officials from both countries, was held on Sept. 28th to discuss progress in private sector priorities for the two nations. The press release states, "Trade facilitation continues to be a priority issue for both countries given the potential to reduce unnecessarily burdensome regulations, cut costs, and increase trade flows between the United States and Brazil." Brazil noted its prioritization of good regulatory practices and its commitment to converge with OECD policies, to which U.S. Department of Commerce Secretary Wilbur Ross reaffirmed support towards Brazil's accession.

U.S. – Kenya Trade Developments

- As reported earlier, the U.S.-Kenya trade agreement talks are moving forward as the USTR has confirmed that the second negotiating round with Kenya will occur sometime in mid to late October. In the upcoming round, both the U.S. and Kenya will exchange text. Furthermore, USTR officials recently briefed the Senate Finance Committee about the status of the negotiations. Some observers suggested a Trump victory in November would likely indicate the subsequent round would be held in December. Biden has not stated whether he would move forward with the U.S.-Kenya FTA.
- The U.S. is demanding that a Free Trade Agreement with Kenya should discourage politically motivated actions to boycott, divest from, and sanction Israel as well as eliminating and politically motivated non-tariff barriers for Israeli goods and services. These stipulations to a free trade agreement are being perceived as too risky by Kenya, who rarely endorses either Palestine or Israel and may hinder progress on a U.S.-Kenya FTA.

Seasonal Produce

- USTR formally announced requesting the global safeguard investigation under section 201 authority regarding blueberry imports. The investigation is conducted by the U.S. International Trade Commission (USITC) at the behest of USTR and is a major component of the Seasonal Produce Plan announced by USTR on September 1st. In announcing the official request, Amb. Lighthizer stated, "President Trump recognizes the challenges faced by farmers across the country, and today's action is just one of a number of steps the Administration is taking to support American producers of seasonal and perishable agricultural products." As noted in the USTR press release, the USITC "will publish notice of the commencement of this proceeding in the Federal Register and will hold public hearings at which the ITC will afford interested parties and consumers an opportunity to present evidence or otherwise be heard."
- As reported earlier, USTR, the Agriculture Department, and the Commerce Department released the seasonal produce plan that outlined several actions, including requesting a global safeguard investigation, yet stopped short of undertaking a section 301 investigations as repeatedly urged by lawmakers and produce groups from Florida and Georgia. In a statement, USTR, USDA, and the Department of Commerce announced a series of policy actions to address Southeastern growers' concerns including:
    - Initiate a global safeguard investigation (section 201) on blueberry imports
    - Consultations with Mexico over the next 90 days to address U.S. industry concerns regarding U.S. imports of Mexican strawberries, bell peppers, and other seasonal and perishable product
    - Explore possible expedited section 201 investigation on strawberries and bell peppers
    - Work with U.S. producer growers to maximize existing USDA programs
    - Outreach program to Southeaster growers to understand applicable trade remedy laws (i.e. anti-dumping and countervailing duty investigations)
- The action plan culminates several months of efforts by USTR, USDA, and Commerce to follow through on a January 9, 2019 letter from Amb. Lighthizer to the Florida congressional delegation to review and determine options regarding "trade-distorting policies that may be contributing to unfair pricing in the U.S. market for seasonal and perishable products, and to "implement effective and timely remedies necessary to address any trade distorting policies" affecting U.S. growers.

U.S. – India Trade Developments

- No significant updates on a potential U.S. – India limited trade deal. As reported earlier, former USTR official, said the White House should move swiftly to "seize the opportunity" to conclude a limited deal with India, contending the U.S. should do so before India gets "cold feet." Mark Linscott, a former USTR negotiator said, "It's just hard to fathom why it's not getting done." Linscott expanded on the mini-deal stating, "It definitely would solve some immediate problems on the U.S. side, from medical devices to getting some new access on agriculture to some tariff cuts. On the Indian side, it would be essentially the restoration of GSP benefits, which shouldn't be a big lift on the U.S. side." USTR has not publicly responded to conclude the trade deal.
- Similarly, India's Commerce Minister Piyush Goyal said, "India is open to signing on what we have agreed on." "I've left it to [Lighthizer] to make the final call," he added. Goyal had previously noted that after two years of negotiations a deal is in reach. "We are almost there," Minister Goyal said at an event hosted by the U.S.-India Business council in July. Goyal emphasized that the U.S. and Indian leaders should also look at a preferential trade pact with 50 to 100 products and move to a comprehensive free trade pact in the long term.

WTO

- Canada made a complaint to the WTO alleging that the U.S. is unfairly delaying the lumber duty dispute. The U.S. recently appealed the WTO decision against the 2017 U.S. duties imposed on lumber. By blocking any appointments of new judges to the appellate body and refusing separate arbitration appeals, the U.S. has effectively pushed the case into legal limbo. Canadian trade minister Mary Ng stated in a statement, "These duties have caused unjustified harm to Canadian industry and U.S. consumers alike and are impeding economic recovery on both sides of the border."
- As reported earlier, Canada and other WTO members raised concerns with additional U.S. farm financial support under consideration by the Trump Administration. During a meeting of the WTO's Committee on Agriculture on Wednesday, Canada said it was worried by President Donald Trump's plans to send another $14 billion to the farm industry, which comes on top of about $20 billion in coronavirus relief since May. The money could run afoul of a U.S. commitment made in 1994 to limit its "trade-distorting" farm subsidies to $19.1 billion each year.
- Australia, Brazil, Colombia, India, Paraguay, Uruguay and New Zealand also expressed concerns over the high level of U.S. payments to the agriculture sector, according to a Geneva trade official. Even before the new aid, USDA projected the government would funnel $37.2 billion directly to farmers and ranchers — a nearly 66 percent increase from 2019 — and the subsidies were expected to account for 36 percent of all farm income this year. Several members also suggested that the phase one U.S.-China trade deal violates the WTO's core "most-favored nation" principle.

WTO Leadership

- The WTO Director-General candidate pool of five candidates moves to the next milestone of narrowing to two candidates by Oct. 6th as announced by David Walker, WTO General Council Chair. The current pool consists of candidates from Kenya, Nigeria, Korea, the United Kingdom and Saudi Arabia. Following a third round of consultations, Walker will name the consensus candidate.
- Among the five remaining candidates, Amina Mohamed of Kenya, Ngozi Okonjo-Iweala of Nigeria, Yoo Myung-hee of Korea, Liam Fox of the UK and Mohammed Al-Tuwaijri of Saudi Arabia. Mohamed, Okonjo-Iweala and Yoo are considered the frontrunners, setting the stage for potentially the first female WTO Director-General.
- Members consider all [candidates] highly qualified and respected individuals," Walker said, according to the WTO statement. "Their willingness to engage, especially at these challenging times, has been greatly appreciated, and the Organization is in their debt. Their expertise and high professional and

personal qualities are highly valued and respected by all Members. I am sure I speak on behalf of all of you in wishing them well in their future endeavors."

- Notably, all five of the remaining candidates have ministerial-level political experience. The final list of candidates and their professional backgrounds are provided below.

WTO DG Candidates – Round 2

Candidate	Country	Experience
Ngozi Okonjo-Iweala	Nigeria	World Bank executive, Minister of finance, economy, and foreign affairs for Nigeria | Biography
Yoo Myung-hee	South Korea	Trade Minister for the Republic of Korea | Biography
Amina C. Mohamed	Kenya	Former Foreign Affairs and International Trade Minister for Kenya | Biography
Mohammad Maziad Al-Tuwaijri	Kingdom of Saudi Arabia	Minister advising royal court on international and local economic strategic matter, former Minister of Economy and Planning for Saudi Arabia | Biography
Liam Fox	United Kingdom	Former United Kingdom Trade Secretary | Biography

WTO Reform

- WTO Deputy Director-General Alan Wolff called for member countries to create a "useful forum" for instituting structural reform and for a "conservative form of revolution" for the struggling organization. "A key question is how to proceed on WTO reform. The table is not fully set, the work has not been organized to have a Big Bang to create a new universe for trade," Wolff said in remarks at the opening plenary of Geneva Trade Week. Wolff said, "The first task is to create a useful forum at the WTO to discuss specific structural changes in the organization and its rules." Wolff echoed calls for improving rather than dismantling the WTO expressing the "hope" that something better would come from reform. "What is needed is a conservative form of revolution," he said. "There must be forward motion. This can be incremental, or it can be more comprehensive, more systemic. Some might think that the geopolitical psychology is not right to attempt major reform. But a start can be made."

Alan Wolff, WTO Deputy Director- General

- As reported earlier, a statement outlining pledges to support WTO reform will be submitted to G-20 trade and investment ministers at the Riyadh, Saudi Arabia Summit on Nov. 21-22. The document states, "The 12th WTO Ministerial Conference represents `an important milestone in an inclusive and ambitious process of WTO reform." Ahead of the next WTO ministerial meeting, the ministers are committing "to bolster our efforts to work constructively with other WTO Members to achieve meaningful progress in advancing our shared interests, including emerging stronger from the COVID-19 pandemic and progressing with the necessary reform of the WTO to improve its functioning."