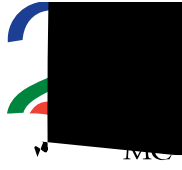


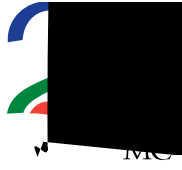
WTO TWENTIETH ANNIVERSARY ACCESSIONS PROGRAMME

SECOND GLOBAL SEMINAR ON WTO ACCESSIONS
SAUDI ARABIA 10-YEAR WTO ACCESSION SPECIAL ANNIVERSARY SESSION
ACCESSIONS BOOK LAUNCH BY WTO DIRECTOR-GENERAL ROBERTO AZEVEDO

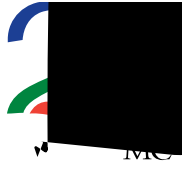
Statement by Uri Dadush, Senior Associate, Carnegie Endowment for International Peace



3. Of course the process of accession can be improved and streamlined; in chapter 1 we make some suggestions on how to do that. But the view that accession to the WTO is a fundamentally misguided process or even harmful to the aspirant Article 12 member is wrong. While the WTO rests on firm principles, such as transparency and non-discrimination, specific obligations and exceptions vary as a result of negotiations and this is true and has been true of everyone, established and new members. After all, countries choose to join the WTO. But the more important point is that while the mercantilist approach to accessions makes a lot of sense in a negotiating context (where you have to



6. Improved governance and application of the rule of law most likely played a significant role in affecting these outcomes. It turns out that WTO accession can provide the political push as well as useful instruments for governance reforms. Rules such as transparency, non-discrimination, and the



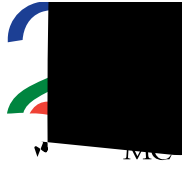
11. On the second welfare aspect – the impact of accessions on the world trading system, the single most important point is that accessions have expanded market access and made it more predictable for both original and Article XII Members. Original members have seen the coverage of WTO disciplines apply to an additional 20% or so of their export market, while Article XII countries have gained secure access for the near totality of their trade for the first time. All WTO members benefit from this "network effect", making membership in the institution of greater value to all. This is a crucial beneficial effect of accessions but it is only a part of the story. Accessions have strengthened the multilateral trading system in three other quite distinct ways: by reinforcing the geopolitical underpinnings of the system; by embedding trade more firmly in reformed domestic laws in Article XII countries; and by adding to WTO law, clarifying and deepening existing rules and disciplines, and enabling "WTO plus" experimentation and innovation in many areas.

12. The world trading system does not operate in a vacuum – like all other forms of international cooperation it is conditioned by the core values and the geopolitical interests of its members. By facilitating the integration of economies with disparate economic systems at the end of the Cold War and accelerating the convergence of these systems, accessions have simultaneously helped improve the political understanding and the orderly international relations that must underpin trade.

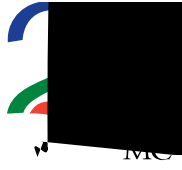
13. The resilience of the world trading system, its resistance to protectionism, does not depend only on the international laws and regulations which govern its functioning, but also on the core values of the market economy, the acceptance of the rule of law and of good governance principles at home, in short, on the support afforded to it by the domestic legal and political systems of Members.

14. Although largely flying below the radar accessions have come to constitute one of the most active and continuously ongoing negotiating agendas of world trade. Their results are integral to WTO laws, and have been cited in close to 30 disputes, of which close to 20 have proceeded to Panel Stage.

15. In the process of negotiating accessions, many opportunities have arisen to test, apply, deepen and refine existing rules and disciplines, as well as to extend WTO rules and disciplines into new areas, so-called "WTO plus". Several of these areas have been the object of negotiation under the Doha Development Agenda, with little progress. I will mention a few salient examples.



16. *Trade in Services*. A striking feature of the services accession commitments has been the depth and range of domestic regulation-type disciplines which a number of acceding Members have undertaken



23. The WTO's much expanded and more diverse membership makes the conclusion traditional trade rounds even more problematic. As the membership expands and the agenda becomes more complex, a powerful case exists to have Members focus on a narrower agenda, placing greater focus on concluding plurilateral agreements under the auspices of the WTO. These issue-specific negotiations are more tractable, and can be led by a critical mass of members. Although overcoming the obstacles in the way of plurilateral agreements is not easy, it should be possible to expand their use through a combination of so-called side -payments to enlist the support of excluded members or reluctant participants, as well as by including provisions for preferential treatment to enlist the support of developing countries.

24. The successful conclusion of 32 accession negotiations, which require consensus of the whole WTO membership and are therefore not strictly speaking plurilateral, demonstrates that multilateral negotiations based on progressive layers of consultations around a well-defined issue and are low-key can yield results even if large all-encompassing trade rounds does not.

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