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MAXIMISING THE VALUE OF WTO MINISTERIAL CONFERENCES

COMMUNICATION FROM AUSTRALIA; CANADA; CHINA; HONG KONG, CHINA; JAPAN; NEW ZEALAND; NORWAY; THAILAND AND TÜRKİYE

Revision*

The following communication, dated 21 July 2023, is being circulated at the request of the above-mentioned delegations.

- 1. Ministerial Conferences play a critical role in carrying out the functions of the WTO. There is growing interest in maximising the value of future WTO Ministerial Conferences¹ to make them better fit for purpose for the challenges facing the multilateral trading system.
- 2. The WTO reform mandate is an opportunity to consider how Ministerial Conferences can best serve the interests of Members. While Ministers are ultimately responsible for taking political decisions to conclude or endorse negotiations, we need to find new ways of ensuring steady, constructive negotiations intersessionally to support their decision-making. We need to maximise the value of ministerial exchanges on rulemaking and acknowledge the value to the Membership of regular political input and exchange on issues of shared interest. Elevating the engagement of Ministers would give them the opportunity to review rule-making and deliberate on how the WTO can contribute to the major challenges impacting the global commons. Changing the approach to Ministerial Conferences will minimise the risks posed to the credibility of the Organization while continuing the WTO's important work on rulemaking.
- 3. There are at least five new approaches that would help the Membership better use Ministerial Conferences:
 - **Deeper policy engagement:** Ministerial Conferences could be used for Ministers to engage more seriously with and deliberate on emerging policy issues facing the global trade regime on a thematic basis. Building on the successful 'challenges' thematic session at the WTO's Twelfth Ministerial Conference, future Conferences could spotlight global challenges that intersect with trade policy, including climate change, inclusivity, gender, health and development.
 - A focus on WTO reform: World leaders and trade ministers consistently list WTO reform as a top priority for the Organization. For the next few Ministerial Conferences, Ministers' engagement should focus on reforming the WTO to address future trade challenges.

^{*} This revision is to add Hong Kong, China and Türkiye as co-sponsors to the communication.

¹ The role of Ministerial Conferences is set out in the Marrakesh Agreement. Article IV states that: "There shall be a Ministerial Conference composed of representatives of all the Members, which shall meet at least once every two years. The Ministerial Conference shall carry out the functions of the WTO and take actions necessary to this effect. The Ministerial Conference shall have the authority to take decisions on all matters under any of the Multilateral Trade Agreements... In the intervals between meetings of the Ministerial Conference, its functions shall be conducted by the General Council."

- **Deliberative and rulemaking work:** Ministerial Conferences could continue to be used for Ministers to consider emerging trade policy issues and launch new rule-making projects where deemed appropriate. In doing so, Ministers could provide officials with early direction to guide their negotiations, as well as to bring further attention to the WTO's contribution to important trade policy debates.
- **Intersessional Ministerial gatherings:** As necessary, the Director-General, as Chair of the Trade Negotiations Committee, could call a gathering of Ministers as she did on the fisheries subsidies negotiations in mid-2021, or in other configurations. As needed, such Ministerial gatherings could occur between Ministerial Conferences on an *ad hoc* basis.
- Endorsing outcomes and negotiating guidance: Ministerial Conferences could endorse negotiations concluded in substance, building on improved processes to foster convergence in relevant WTO bodies in Geneva. In those cases where negotiating gaps have been narrowed considerably by officials, Ministers may, on occasion, be in a position to close negotiations. Ministers could also provide guidance during Ministerial Conferences for ongoing negotiations. This approach would avoid the challenges associated with short, often high-pressure and unpredictable Conferences, which can impact negatively on the credibility of outcomes.
- 4. As a first step, there is an opportunity for Ministers to use the Thirteenth Ministerial Conference in Abu Dhabi to reflect upon and consider options for reforming the Membership's approach to future Ministerial Conferences. A Decision on this issue in Abu Dhabi could ensure that MC13 becomes our first genuine WTO Reform Ministerial.