



WTO AT THE CROSSROADS



On Friday, 22 March, [The Evian Group@IMD](#) hosted a discussion on the recently released report, "*WTO at the Crossroads: A report on the Imperative of a WTO Reform Agenda*" by Dr. Talal Abu-Ghazaleh.

Held at the Geneva headquarters of the WTO, the dialogue brought together roughly 100 multi-stakeholder participants. Dr. Abu-Ghazaleh, a prominent international business leader, presented a private sector perspective and his insights to the critical issue of WTO reform. [Dr. Carlos A. Primo Braga moderated the discussion and was joined by Ambassadors Selim Kuneralp \(Turkey\) and Mario Matus \(Chile\), who shared their reactions to Dr Abu-Ghazaleh's recommendations.](#)

Dr Abu-Ghazaleh is a close friend of The Evian Group@IMD and a member of WTO Director General Pascal Lamy's WTO Panel of experts on Defining the Future of World Trade. He is Chairman and CEO of the Talal Abu-Ghazaleh Organization, an international holding company providing professional and educational services worldwide. The report represents his contribution to the Panel. The Panel's final collective report will be published in April.

Dr. Abu-Ghazaleh's report makes a number of recommendations (23 to be exact) on WTO reform. These can be categorized into the following main areas: decision making procedures, outreach, organizational structure, policy and agenda setting. In his opening comments, Dr. Abu-Ghazaleh expressed his main desires along the following lines: the WTO should reach out more to the business community, becoming a knowledge organization and an enabler through better use of ICT. He expressed his conviction that the time is especially appropriate now in light of the imminent appointment of a new Director General and in preparation for the ministerial meeting in Bali in December when all member countries will be present.

Ambassadors Kuneralp and Matus agreed with several of the recommendations put forward and shared a common understanding that the report was not intended to criticize the WTO, but to make it better and stronger. The Ambassadors concurred that the WTO is working well in many areas, and that we should not "lose the forest for the trees." They underscored that the area that needs to be significantly recalibrated concerns the legislative function of the WTO (i.e., the DDA negotiating agenda). They noted, however, that this resulted mainly from a lack of political will amid WTO members rather than institutional weaknesses. Recommendations they did not endorse include:

- Voting and the establishment of an executive committee versus the consensus-focused culture of the WTO;
- A single Deputy Director General versus the current four;
- Annual Ministerial meeting versus the current biennial schedule.

The Ambassadors also noted that that some of the suggestions in the report went back to recommendations that had previously been considered and rejected.

The Honorable Sergio Marchi, former Canadian Ambassador to the WTO, who provided the foreword to the report, noted the high turn-out for the event, and suggested that this demonstrated the appetite of supporters of “renewal.” He argued that the term renewal rather than reform better captured the road ahead for the WTO. He suggested that the WTO should consider a standing committee on renewal, engaging both politicians and policy makers on issues beyond those under negotiation. Many of the interventions that followed expressed support for a renewal agenda while underscoring the dangers of complacency. Ambassador Kuneralp stressed that with 158 member states, the wheels do not move quickly. But he and Ambassador Matus acknowledged that the pace of decisions at the WTO is out of sync with the rapid pace of the world in which it operates.

When Dr. Abu-Ghazaleh was asked why he felt the need to provide his personal reactions in advance of the WTO panel’s, he replied that he fully supported the panel report and had no disagreement with its recommendations (the report will be released on April 24th). He felt, however, there were still points that could serve to complement and elaborate the panel’s position in his own report.

Dr. Braga closed the session on a cautionary note, indicating that it is dangerous for the WTO to wait for the right time to reform. He reiterated Dr. Abu-Ghazaleh’s opening proverb that the WTO is indeed at a crossroads and risks getting “sick” by staying in the intersection and waiting for too long.



"Political decision makers must find the political will to reform the institution, just in the same way that their predecessors had the foresight to create the GATT in the aftermath of war and destruction," said Abu-Ghazaleh. "Otherwise, I fear the WTO will drift, and become less and less relevant to global citizens and business leaders alike."

WTO at the Crossroads

A Report on the Imperative of a WTO Reform Agenda

Dr. Talal Abu Ghazaleh.

[Download the report](#)