



## TRADE POLICY AND SOUTH AFRICA

### Globalisation and Multilateral Trading System: Simulating the Bali Ministerial Conference

Facilitated by Dr Faizel Ismail

#### WORKSHOP OBJECTIVES AND PURPOSE

The main objectives of the course are as follows:

- ⇒ to introduce participants to the theory and practice of international trade
- ⇒ to gain insight from South Africa's bilateral relations with the EU, US and China and evaluate the changing global dynamics and implications for South Africa and the African Continent as a whole
- ⇒ to focus on AGOA in order to provide participants with insights into the actual world of negotiations and what could be learnt from the SA-US AGOA negotiations
- ⇒ to gain insight into the political economy of Africa's regional trade integration including SACU, SADC, the TFTA and CFTA negotiations
- ⇒ to simulate the SACU trade negotiations with the aim to draw on lessons on the challenges and opportunities of regional integration
- ⇒ to simulate a WTO negotiation and gain insight into the workings of the multilateral trading system

#### OUTCOMES

##### THE OUTCOMES THAT THE COURSE ASPIRES TO

Provide students with new and deep insights into an actual trade negotiation that will facilitate a discussion on:

- ☞ the role of power relations between players in trade negotiations and how this power is used in the process of the negotiations;
- ☞ an overview of the changing global trade architecture and South Africa's relations with key bilateral trading partners;
- ☞ how ideas/language/narratives/research are used to advance particular interests and negotiating objectives of the dominant players
- ☞ alternative approaches to trade negotiations and outcomes that are more equitable and development oriented

#### Workshop fees:

R8,000 (VAT incl) per participant

#### Date:

31 Oct – 2 Nov  
2018

#### TIPS has evolved a suite of three related introductory workshops:

1. The first module will focus on Bilateral Trade issues **21-23 Feb 2018**
2. The second module will focus on Regional Integration in Africa **20-22 June 2018**
3. The third module will focus on Multilateral Trade negotiations **31 Oct – 2 Nov 2018**

## THE WORKSHOP WILL HAVE 10 SESSIONS:

SESSION ONE	Globalisation and Trade
SESSION TWO	The narrative of Global Value Chains
SESSION THREE	The history of the Multilateral Trading Systems
SESSION FOUR	Developing Countries in the GATT/WTO
SESSION FIVE	Reforming the World Trading System
SESSION SIX	The WTO Doha Round and its Collapse
SESSION SEVEN	South Africa's role in the GATT/WTO
SESSION EIGHT	Preparations for the Bali Ministerial Simulation
SESSION NINE	Simulating the Bali Ministerial Meeting
SESSION TEN	Reflections on the Future of the WTO

### Background to the Bali Simulation

The Bali 9<sup>th</sup> WTO Ministerial Conference (MC9) was scheduled for 4 days, between the 3-6<sup>th</sup> of December. However, it had to be extended by a further day to Saturday, the 7<sup>th</sup> of December. Ministers were divided on how to create a fair and appropriate balance on the three different pillars of the Bali Package: Trade Facilitation, Agriculture and Development issues (including duty free quota free market access, and Cotton).

The Bali Ministerial Conference finally agreed on a package of nine new agreements including a binding agreement on trade facilitation and understandings on other issues including agriculture (including general services, public stockholding for food security purposes, understanding on the tariff-rate quota administration provisions of agriculture products and export competition) and some language on cotton.

While some Ministers hailed these agreements as major break-throughs many others regarded the outcomes as being imbalanced against developing countries.

### Bali Simulation

The purpose of the Simulation is to provide the participants with a flavor of real world of multilateral negotiations. The Simulation will be staged in two parts. The first part a formal opening session with each of the participants being given country and group positions to represent at the Ministerial Conference. These will include countries such as the US, EU, Japan, China, India Brazil etc and groups such as the LDCs, Africa, ACP, SVEs, G33, NAMA 11, the Cotton 4. The second part of the simulation, members will be invited to participate in the "Green Room" with the Director General of the WTO to negotiate compromises on key issues, including Trade Facilitation, Agriculture Public Stock-Holding, LDC Duty Free Quota Free and Cotton.

**After the Simulation participants will reflect on some key questions. These include:**

- ☞ Whilst a Bali package had been concluded and the WTO had reached its first significant multilateral trade deal since the Uruguay round Agreement in 1993, we need to reflect on how it was possible for the WTO to once again reach agreement on an Imbalanced trade deal that has the possibility of creating significant Implementation burdens for developing countries?
- ☞ The unity within and between developing country groups witnessed in previous ministerial conferences, such as Cancun, Hong Kong, and MC9, was clearly not evident in Bali. Why was this so? How was the African Group divided on the Bali package, after the Addis Ministerial Meeting? Why did the G20 Ministers have very divided views on the Bali Package? How was it that the BRICS were not able to provide any leadership or even cohere amongst themselves in Bali?
- ☞ How was it that so many developing countries supported the narrative that Trade Facilitation was in their interest and that a failure to agree to a package in Bali would result in the WTO collapsing and thus negatively affecting their interests?
- ☞ The Nairobi Ministerial Meeting continued to maintain the same trend of reaching agreements on a select few areas. These areas prioritized by the major developed countries. The Doha Round remains moribund and members remain divided on whether to resuscitate the Round. Reflecting on the above trends, what is the fate of the Doha Round and future of multilateralism?

## **FACILITATOR**

### **ABOUT DR FAIZEL ISMAIL**

Faizel Ismail is Adjunct Professor at the UCT School of Economics. He is also an advisor to the dti on international trade and special envoy on the African Growth and Opportunity Act. He has served as the Ambassador Permanent Representative of South Africa to the WTO (2010-2014). He led South Africa's trade negotiations with the European Union, SADC, SACU and several other bilateral trading partners including the US, India, and Mercosur since 1994.

Faizel has a PhD in Politics from Manchester University and a Masters in Philosophy in Development Studies from the Institute of Development Studies, University of Sussex, Brighton. He also holds an LLB and a BA degree from the University of Kwa-Zulu Natal, in Pietermaritzburg, South Africa. He is the author of two books on the World Trade Organization and has published numerous articles in international journals and books.