



*Advocacy Meeting***South Asia: Stakes and Role in the Global Trading System – Doha Round and Beyond***January 13, 2009, Geneva, Switzerland*

Agenda>>**Press Release>>****Report>>****List of Participants>>****Background**

Trade plays an important role in the national and regional economic development in South Asia. There is a common realisation that the global trading system – notwithstanding the lack of meaningful progress in the Doha Round - offers tremendous prospects for South Asian countries like Bangladesh, India, Nepal, Pakistan and Sri Lanka, to achieve their objectives of economic growth, sustainable development and poverty reduction by providing transparency, predictability and stability in the conduct of trade flows and trade policies in terms of market access conditions and/or regulatory policies. They agree that only a global, rule-based trading system can provide this function on an institutionalised basis.

While searching for common ground for South Asian countries based on the above common realisation, it is of foremost importance to acknowledge the diversity of the region, which comprises of two large developing countries (India and Pakistan), four least developed countries (Afghanistan, Bangladesh, Bhutan, and Nepal) – three of which are land-locked (Afghanistan, Bhutan and Nepal) and two in the process of accession to the WTO (Afghanistan and Bhutan) - and two small island developing countries (Maldives – in the process of graduating from the LDC status – and Sri Lanka). While larger economies are in a position to make reciprocal commitments, Least Developed Countries (LDCs) hope to benefit from special and differential provisions, and while India leads negotiations for developing countries, Bangladesh is often a leading voice for the LDC group. In addition, concerns such as rules related to accession, implementation issues, Special and Differential treatment (S&DT), and concerns of Net Food Importing Countries may not have the same priority for other developing countries of the region. Because of this, South Asia is typical and different from most of the other regions of the world.

The quest for possible common interests of the South Asian countries in the global trading system should also be seen in the context of the current challenging times. After seven years of negotiations member countries are still struggling to complete the WTO Doha Development Agenda (DDA). Even with the evidence that freeing up trade has increased net world wealth, jobs and living standards, protectionist pressures have not eased in anyway.

The delays in completing the DDA reflect myriad challenges arising out of the growing membership, special interest groups, increasingly complex issues, competition for attention in capitals, and the sheer workload of the negotiating agenda. This daunting task is made even more difficult by the urgent need to address highly complex and politically sensitive 'emerging' issues, such as global economic slowdown, food, energy, environmental and income security. While some answers can be found in WTO



Agreements, South Asian countries are finding it quite challenging to deal with the trade-related aspects of climate change, cartels, commodity trade and other things that are not covered by WTO rules.

Therefore, at a time when the future of the global trading system (GTS) embodied in the WTO system hangs in balance, it is indeed vitally relevant that South Asian countries should take individual and collective stock of their role vis-a-vis future of the trading system. From a civil society point of view, it will indeed be important to intensify awareness-building and dialogue at all levels on these issues, to manage expectations of what the WTO can and cannot deliver, and to seek ideas for a viable way forward.

CUTS Centre for International Trade, Environment and Economics (CUTS-CITEE) has undertaken projects and work on issues related to the South Asian countries in international trade. Currently, a project titled "South Asia Forum for International Trade (SAFIT-II)" is being implemented with the support of OXFAM Novib to particularly examine the issues related to trade in services in respect of five South Asian countries, i.e., Bangladesh, India, Nepal, Pakistan and Sri Lanka. Valuable lessons and insights can be drawn from this experience to facilitate elements of a possible response of the South Asian countries to the challenges faced.

Objectives

Given the above-mentioned background, the event on 13 January 2009 has the following as key objectives:

- To present for discussions the findings of SAFIT-II
- To contribute to the strengthening of the capacity of the South Asian countries on new and emerging issues and use knowledge and skills gained through research in influencing trade policies.
- To outline and discuss the on-going and emerging challenges faced by the GTS from a South Asian perspective and with a view to finding possible ways forward ; and
- To fortify the capacity of civil society to advocate issues concerning international trade and to broaden understanding through information dissemination about advocacy initiatives in South Asia.

The Event

This event endeavours to examine the emerging issues relevant to the South Asian countries in the global trading system and will further assess the way forward for South Asian countries. In this regard, an effort is made to bring diverse views ranging from government officials from these South Asian countries to the independent voices from both the South and the North. Once the tone of the event is set by the key note addresses, the first substantive session will be devoted to the presentation and discussion on the main findings of SAFIT-II and to set up a broader canvas for South Asia in the Global Trading System. The second substantive session will take the form of a panel discussion among Geneva ambassadors of some South Asian countries on the emerging challenges and stakes of South Asia in the global trading system and the role of South Asia in the GTS in future. The floor will then be opened for general discussion and some major issues identified from the sessions and suggestions thereof taken note of. The



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recommendations will be taken forward to various levels, including the WTO, various Governments in South Asia, relevant inter-governmental bodies and to the civil society of the South Asian countries.

Venue

Room C, WMO, 7bis avenue de la Paix, Geneva, Switzerland