

# CHAPTER X

## How the WTO kept talking: Lessons from the COVID-19 crisis

**Patrick Low and Robert Wolfe**

Asia Global Institute; Queen's University, Canada

### INTRODUCTION

The WTO has three primary tasks: to negotiate new rules, monitor implementation (which depends on transparency), and settle any disputes that arise. All of these tasks require members to talk to each other, and they came crashing to a halt in March 2020 when meetings were cancelled and staff sent home.<sup>1</sup> WTO members and the Secretariat had some previous experience with digital tools and also role models in organisations, such as the OECD, that were quicker in embracing virtual technology to conduct their business. There are lessons for the reform of WTO working practices in how members managed to carry on talking through the pandemic. It may be some time before regular meetings can resume, but when they do members should institutionalize some pandemic-related innovations.

Dozens of virtual meetings have been held in international organisations since lockdowns took hold across the globe, including UN bodies, the G20 and the G7; even Heads of State participated virtually in the UN General Assembly. Beyond practical teething difficulties, adapting the WTO's three tasks to a virtual world posed some special challenges. Small group discussions of a crisis are one thing; ensuring that all of the WTO's diverse members can participate while maintaining an agreed balance of rights and obligations within a reciprocal framework is more complicated. Activities centred on learning, deliberation, and transparency have proven more straightforward than negotiating and agreeing to binding commitments.

Discussions on the reform of working practices in the WTO have been going on for some time,<sup>2</sup> but they slowed as the COVID-19 pandemic took hold. Yet the crisis has provided an opportunity to advance this reform agenda, not through grand designs but by incrementally experimenting and accelerating changes that were already underway. Building on this evolution in real time allows members to enrich the WTO and make it more effective.

1 The World Trade Organization is a worthy successor to what *The Economist* called "The General Agreement to Talk and Talk" (10 December 1988).

2 See, for example, the 2018 document "Strengthening the Deliberative Function of the WTO" (JOB/GC/211).

In the next section, we discuss a range of technical and practical aspects of holding fully virtual and hybrid (virtual and physical) meetings. We also consider the implications of various factors relevant to the distinction between traditional physical meetings and those with a virtual component. In the third section, we reflect on the challenges and possible changes that may result from a more systematic post-pandemic adoption of virtual and hybrid meetings. We consider how institutionalising pandemic innovations could contribute to the substantive content and greater effectiveness of various WTO activities. In the fourth section, we consider whether digital communication at a distance could be used by ministers to talk to each other at MC12, which is currently scheduled for 2021. The final section suggests an action plan for the new Director-General.

### **TECHNICAL AND OTHER PRACTICAL ASPECTS OF DOING WTO BUSINESS DIGITALLY**

When ambassadors met with the Director-General in April to discuss how to continue the WTO's work in the face of the pandemic, it was obvious that virtual exchange was the only option while the WTO buildings were closed. When virtual meetings started, a number of delegations expressed concern about the medium. To begin with, meetings were conducted over Zoom, which some felt was insecure. The Secretariat then migrated to Interprefy, which had to be modified in order to accommodate WTO meeting requirements, including simultaneous interpretation in the three official languages.

When partial opening of the premises began towards the end of May, it was possible to consider hybrid meetings. The WTO currently has two meeting rooms fitted out for hybrid meetings. The Council Room can take up to 350 delegates and S1 up to 100. The understanding was that meetings would be populated by one person per delegation spaced at least one and a half metres apart, with other participants joining virtually. Over the last few months, many delegates continued to participate from their offices, as have some officials in capitals. At a recent General Council meeting, for example, 55 participants attended physically and 180 did so virtually. This experience has been repeated in other contexts, including the fisheries subsidies negotiations. By the end of July, dozens of meetings had been held, both formal and informal, involving numerous standing WTO bodies and others of a more ad hoc nature, notwithstanding the limitation imposed by the number of meeting rooms equipped for hybrid meetings. Prior to the COVID-19 crisis, more than a dozen meetings could be held simultaneously in the WTO building.

If virtual and hybrid meetings are to become an integral part of the WTO's working methods, more than two meeting rooms will need to be fitted out with the requisite equipment. The cost implications of doing so are non-trivial, but at the same time, having a virtual component of meetings is also cost-saving for officials who might otherwise travel from capitals. Virtual communication, of course, has the considerable advantage of opening up participation in meetings beyond the confines of Geneva.

If meetings are to involve participation from capitals, the hours available for real-time gatherings are significantly constrained by time zones. For practical purposes, meetings set for Geneva time need to take place around the middle of the day in order that delegations in more distant time zones from the east and west could participate at a tolerable hour. One way of addressing this constraint is to rely on written exchanges as an integral part of committee processes.

Even before the crisis, members in some committees were talking about improvements in working practices, exchanging ideas that proved useful when the COVID-19 pandemic hit (e.g. Wolfe 2020). The standards committees, for example, with support from the Secretariat IT staff had been developing an eAgenda system that encourages meeting documents, including questions and answers, to be posted online in advance. The system also allows statements to be posted for a period of time after the meeting for inclusion in the minutes. With this technology, members used a written procedure to raise a record 72 “specific trade concerns” at the May virtual meeting of the Committee on Technical Barriers to Trade. The Agriculture Committee used a similar written procedure to address dozens of questions at its July meeting. Continuing efforts to make information available in writing and in advance ought to facilitate preparation for meetings in several areas of the WTO’s committee work.

The format of meetings and working procedures are largely left to each WTO body, considering that the purposes and practices of each one are different. In the case of the Dispute Settlement Body, for example, virtual participants are only permitted to listen, effectively relegating them to observer status. A similar arrangement applies in the Committee on Budget and Administration. As noted above, delegations have found it easier to deal with routine matters, deliberative exchanges and transparency exercises in hybrid meetings than with negotiations and decision-making.

A further question with hybrid meetings is whether rules of procedure need to be modified. Questions include the definition of a quorum, procedural timelines, and the functions of annotated agendas. The biggest question is about decision making, since the WTO never votes. Under the WTO Treaty, consensus means that nobody present objected – but who is ‘present’ at a hybrid meeting? Some of these questions may be decided in an evolutionary fashion by individual councils and committees on the basis of their own requirements. The General Council, however, may need to consider guidelines and possibly formal changes in rules of procedure.

## **THE PROS AND CONS OF INSTITUTIONALISING PANDEMIC INNOVATIONS**

The WTO had no choice in the pandemic: moving online was the only way to keep talking. But virtual communication has both disadvantages and advantages in comparison to a purely physical model. Virtual interaction is more remote, and conducive to greater formality. Chairpersons and attendees at physical meetings are accustomed to reading the room and interpreting body language. Outside the meeting rooms, a sense of

collegiality is built up through personal connections which can be lost in a virtual world, weakening the benefits of routine contact and rendering compromise more difficult. The disadvantages of physical distance are likely to be aggravated over time, as increasing numbers of officials who were not acquainted prior to the COVID-19 crisis try to work together without meeting ‘in the flesh’.

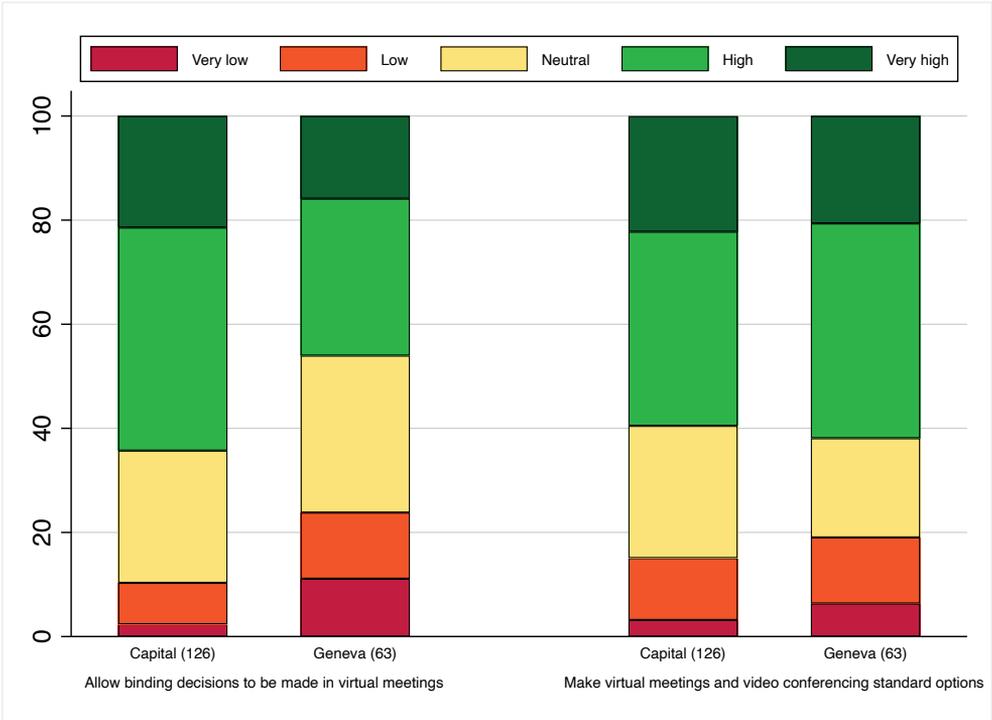
While it is reasonable to assume that greater inclusion through involvement from capitals would help to reduce contrasts in the capacity of different members to participate fully in the WTO’s regular business, an important caveat is in order. There is a risk of an aggravated marginalisation of some developing countries on account of inadequate connectivity and/or the need for more training for operating in a more virtual environment. Support for a hybrid meeting model is likely to increase if these challenges are addressed.

As for the advantages of virtual meetings, these are considerable and they make a case for thinking seriously about adopting virtual communication as a permanent feature of WTO business. More routine engagement of officials from capitals can increase efficiency in a number of ways. Discussions are likely to be better informed and based on more up-to-date positioning. The direct involvement of capitals facilitates inter-agency cooperation within governments, linking trade policy more organically to wider national policy frameworks. Capital-based officials involved directly in WTO meetings are also better able to understand the implications of a national stance for the wider WTO community. Business can be conducted more quickly, without the delays that arise when Geneva delegates invoke the necessity of consulting their capitals. In addition, for developing countries with scarce administrative resources, involvement from capitals facilitates a more streamlined approach to engagement with the WTO.

Traditional Geneva meetings at the WTO have become known for excessive speechifying and frequent repetition of well-known positions. Much of this could be swept away by the greater accountability that would result from regular participation from capitals in WTO deliberations. People are also less likely to talk at excessive length in a virtual setting. This problem has already been recognised, leading to the establishment of maximum speaking times in formal Trade Negotiations Committee (TNC) and informal Heads of Delegations (HODs) meetings, as well as in the TRIPS Council on the initiative of its chairperson.

Reliance on hybrid meeting arrangements involving capitals will not necessarily sit well with Geneva ambassadors, who may fear an erosion of their influence and functions. This concern is reflected in a recent survey of the trade community by Fiorini et al. (2020). The results shown in Figure 1 indicate support for an intensified use of video-conferencing in the daily operations of the WTO, but a significant contrast between Geneva-based respondents and others in respect of taking binding decisions in a virtual meeting: Geneva-based respondents were less supportive than other government officials.

**FIGURE 1** COMPARATIVE SUPPORT LEVELS AMONG MEMBERS FOR DEPLOYING VIRTUAL COMMUNICATION



In sum, WTO members managed to keep talking despite the pandemic. What can be done better in future because of these innovations? So far, we have discussed a range of technical, practical and political economy issues relevant to the contrast between physical and virtual interaction in the conduct of WTO business, focusing on the advantages and disadvantages of the alternatives. Here, we note a number of ways that virtual and hybrid meeting arrangements could help the WTO to up its game if and when normal life resumes.

- First, virtual communication favours deepened knowledge and learning through deliberations and best practice discussions involving capitals.
- Second, links to capitals enhance policy coherence internationally and support better management of policy spillovers.
- Third, policy surveillance would be faster and more interactive through virtual exchanges.
- Fourth, the thorny issue of rendering notifications adequate would be considerably facilitated through direct communication with officials in capitals responsible for the work.

## **THE REAL CHALLENGE FOR THE NEW DIRECTOR-GENERAL: CAN THE WTO HOLD A HYBRID MINISTERIAL MEETING IN 2021?**

We think the new WTO Director-General should seize opportunities for increasing efficiency and broadening the depth and scope of the WTO's activities through continued reliance on virtual and hybrid communication as a component of the WTO's working methods.

An interesting test of the versatility and effectiveness of virtual and hybrid communication methods would be whether a WTO Ministerial Conference – such as MC12, slated for 2021 – could be run satisfactorily along these lines. Could conference preparations proceed in virtual meetings of various configurations? The routine work of a Ministerial Conference could easily move online using some variant of the eAgenda system to post reports from WTO bodies and statements by groups of members, as well as the statements traditionally made by ministers in plenary. Virtual media could raise the level of transparency for the press and NGOs.

But could issues requiring minister-level negotiation and decision making – such as concluding fisheries subsidies negotiations, consolidating progress in agriculture or agreeing on the establishment of a work programme to tackle WTO reform issues – be accomplished without in-person meetings, or in a hybrid setting? The core question is whether multiple meetings of various sizes and permutations could be organised and managed across time zones, to eventually dovetail into the grand finale of a successful Ministerial Conference. In a reformed WTO that embraces virtual technology as an integrated vehicle for carrying out its work, organising a hybrid Ministerial Conference would be well worth a try.

### **AN ACTION PLAN FOR INSTITUTIONALISING PANDEMIC INNOVATIONS**

We have suggested a number of things that members and the Secretariat can do to build on what has been learned already about how to keep talking in these difficult times. Everybody is eager for normal in-person meetings to resume, but we have no idea how long it will be before all Geneva delegates can safely attend meetings, let alone when delegates from capitals will be able to resume regular attendance at meetings. And even then, hybrid meetings should be part of an eventual new normal. In the meantime, continuing innovation will be needed as part of the preparations for MC12.

Here are the five most important actions. Engagement with all committee chairs and through them with delegates obviously matters, but strong leadership from the Director-General will make a difference.

1. More than two meeting rooms will need to be fitted out with the requisite equipment to allow hybrid meetings.

2. Meetings set for Geneva time need to take place around the middle of the day in order that delegations in more distant time zones from the east and west can participate at a tolerable hour. Since that may unduly constrain the time available for meetings, our next point assumes greater importance.
3. Written exchanges should be seen as an integral part of committee processes, which requires continuing efforts to make information available in writing and in advance. The eAgenda system should be expanded to all WTO bodies, and adapted for MC12.
4. Rules of procedure may need to be modified, including the definition of a quorum, procedural timelines, the functions of annotated agendas, and recognising the existence of a consensus.
5. The provision of a larger share of technical assistance, training and capacity-building on virtual platforms would provide an opportunity to upgrade the quality of the WTO's offerings in this area. Moves have already been made to deliver some assistance virtually. It will be especially important to provide more training for operating in a virtual environment.

## REFERENCES

Fiorini, M, B Hoekman, P C Mavroidis, D Nelson and R Wolfe (2020), “[Stakeholder Preferences and Priorities for the Next WTO Director General](#)”, EUI Working Paper RSCAS 2020/43.

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## ABOUT THE AUTHORS

**Patrick Low** is a Fellow at the Asia Global Institute and former Chief Economist at the WTO.

**Robert Wolfe** is Professor Emeritus in the School of Policy Studies, Queen's University, Canada.