

China hails historic WTO global trade agreement

By Chen Yang and Li Qiaoyi, Global Times, 2013-12-9

China welcomes the Bali accord for raising people's confidence in the multilateral trade system and the Doha Round of talks, Ministry of Commerce (MOFCOM) spokesman Shen Danyang was quoted as saying in a statement released on the official website on Saturday.

After more than a decade of negotiations and missed deadlines, the World Trade Organization (WTO) achieved a breakthrough in its marathon negotiations on Saturday when trade ministers clinched a deal on the Indonesian resort island of Bali. China hopes the Bali deal will serve as a "stepping stone" to complete the Doha talks, the MOFCOM statement quoted Shen as saying on its website.

The Doha Round talks were launched in 2001 to aid poorer nations to overcome barriers in global trade and prosper through free flow of goods.

Saturday's agreement marks the WTO's first global trade deal since the organization came into being in 1995.

The last-minute deal came after tense overnight talks, drawing out the WTO's ninth Ministerial Conference from its scheduled end on Friday afternoon into Saturday morning.

"For the first time in our history, the WTO has truly delivered," said WTO Director-General Roberto Azevedo.

The full Bali Package covers issues designed to streamline trade, to allow developing countries more options on food security, to boost trade and development for developing countries and the least-developed countries (LDCs).

A study by the Washington DC-based Peterson Institute of International Economics estimated the agreement would inject \$960 billion into the global economy and create 21 million jobs, 18 million of them in developing nations.

Success had appeared elusive before and during the meeting due to lingering impasses.

One of the major deadlocks was India's firm insistence on maintaining its food

security program with the argument that India and other developing countries should be exempted from WTO rules on farming subsidies.

This was opposed by the group of developed countries, concerned that stockpiling and subsidies would distort international grain prices.

The delegates eventually agreed on an interim solution on food security issues until a permanent solution is found.

Another last-minute hurdle emerged as four Latin American members unexpectedly rejected the package due to removal of a paragraph regarding the rollback of the US trade embargo against Cuba, prolonging the meeting several hours.

The US has pushed for progress on regional pacts such as the Trans-Pacific Partnership and the Transatlantic Trade and Investment Partnership, which have a marginalizing influence on the WTO framework, said Xu Hongcai, director of the Department of Information under the China Center for International Economic Exchanges.

With the Bali accord reviving WTO clout, developing economies including China are set to have a greater say in the global trade regime, Xu believed.

Agencies contributed to this story.