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Department of Agricultural Economics
University of Nebraska-Lincoln



Trade Agreements in the Last 20 Years: Retrospect and Prospect
John Beghin and Jill O'Donnellⁱ (UNL)

Summary: We provide an overview of major developments in multi- and plurilateral trade agreements over the last 20 years with a focus on the implications for agricultural and food markets. We take stock of what has been accomplished in market integration, remaining obstacles to trade, events that have changed the trade landscape, and emerging issues. Agricultural tariffs have fallen through commitments made in the Uruguay Round Agreement on Agriculture and through the proliferation of regional trade agreements. Nevertheless agricultural trade remains distorted with some prohibitive tariffs. RTAs have achieved progress on nontariff measures and other beyond-the-border frictions. The WTO's negotiations on agricultural distortions have stalled because of their complexity and divergent interests among WTO members. In addition, the dispute settlement mechanism of the WTO has been seriously impaired as its Appellate Body can no longer function. The WTO will have to adjust to a world of RTAs and use its tools and procedures to support the multilateral trading system through increasing transparency of RTAs and reporting on conformity with existing WTO agreements. The WTO can also use substitute tools to head off disputes using specific trade concern mechanisms, like those of the SPS and TBT committees.

Keywords: World Trade Organization (WTO); tariff, nontariff measures (NTMs); regional trade agreements (RTAs), agricultural trade

JEL codes: F13, F15, Q17

Trade Agreements in the Last 20 Years: Retrospect and Prospect

John Beghin and Jill O'Donnell (UNL)

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We provide an overview of major developments, and in some cases lack thereof, in multi- and plurilateral trade agreements for the last 20 years, with a focus on implications for agricultural and food markets. Our purpose is to take stock of what has been accomplished in terms of market integration, the remaining obstacles to trade, pivotal events which have changed the trade landscape, and emerging issues which could alter this market integration and shape the future. A short version of this working paper is forthcoming in *EuroChoices*.

1. Recent evolution of the WTO

The 23 countries that signed on to the General Agreement on Tariffs and Trade (GATT) in 1947 together accounted for 61% of global trade at that timeⁱⁱ, and the signatories were almost evenly balanced between developed and developing countries. By 2020, membership in the GATT's successor organization, the World Trade Organization (WTO), had climbed to 164 countries, with 24 new members since 2001 (see Table 1). Today, WTO member countries represent 98 percent of world tradeⁱⁱⁱ and two-thirds of them claim developing country status. The size and diversity of this organization—which covers nearly the entire globe—coupled with relative shifts in economic clout among some of the larger players, have over time resulted in substantive and structural pressures on the organization.

Table 1. New WTO members 2001-2021

Members	Membership date	Members	Membership date
Afghanistan	29-Jul-16	Ukraine	16-May-08
Liberia	14-Jul-16	Tonga	27-Jul-07
Kazakhstan	30-Nov-15	Viet Nam	11-Jan-07
Seychelles	26-Apr-15	Saudi Arabia, Kingdom of	11-Dec-05
Yemen	26-Jun-14	Cambodia	13-Oct-04
Lao People's Dem. Rep.	2-Feb-13	Nepal	23-Apr-04
Tajikistan	2-Mar-13	Armenia	5-Feb-03
Montenegro	29-Apr-12	North Macedonia	4-Apr-03
Russian Federation	22-Aug-12	Chinese Taipei	1-Jan-02
Samoa	10-May-12	China	11-Dec-01
Vanuatu	24-Aug-12	Lithuania	31-May-01
Cabo Verde	23-Jul-08	Moldova, Republic of	26-Jul-01
Source: WTO website			

The WTO operates by consensus, and size alone can make that difficult to achieve, especially as the issues on the negotiating table have become more complex in the six decades since the GATT's inception. These include intellectual property, services trade and a raft of non-tariff barriers—many related to food and agriculture. Some analysts point to agreements negotiated under the Tokyo Round in the 1970s as an example of a departure from the WTO's traditional

“single undertaking,” all-or-nothing approach. Some of those agreements were negotiated by subsets of members on narrower topics, informally called “codes” since not all GATT members subscribed to them. Today, a similar mode of negotiating, through so-called “Joint Statement Initiatives” (JSIs), is underway on e-commerce, services domestic regulation, and investment facilitation. However, members such as India and South Africa have formally objected to this approach.

The WTO allows members to “self-declare” as developing countries, a designation that comes with the possibility of “special and differential treatment” (S&D), favorable provisions such as longer timeframes to implement WTO agreements, including agricultural policy reforms and market access. Some members question whether certain large economies should benefit from S&D. Among those claiming this status are economic heavyweights like China— whose system of state-directed capitalism poses special challenges for an organization that was not designed to address it. Amid mounting pressure to refine the WTO’s approach to S&D, South Korea and Brazil announced in 2020 that they would no longer seek special treatment afforded to developing countries in the WTO. This was not an admission that they should no longer be considered “developing,” but a recognition of how their relative economic weight within the WTO has changed since joining the organization.

Despite these challenges, the WTO still holds appeal for countries that are not yet members. As of September 2021, 23 countries are in various stages of the accession process, with the majority having made their application over 15 years ago (see Table 1).^{iv} The WTO accession process consists of a negotiation between the aspiring state and the organization. VanGrasstek notes that the frequency of accessions has slowed while the duration of the process has increased.^v A slowdown in membership growth is not surprising, as the organization already covers most of the globe. However, the length of accession negotiations is unlikely to shorten in light of an already-crowded management agenda for the organization. The global economic position and internal character of member states change over time—sometimes relatively quickly, as in the case of China. The result is that the WTO will have to dedicate varying amounts of finite institutional capacity to managing structural problems that arise from such changes. Examples include members’ disagreement over which countries should be considered “developing” and thus receive special and differential treatment and the collapse of the Dispute Settlement Body appeals function, the Appellate Body. Managing structural problems can detract from progress on substantive trade policy issues.

2. Doha round lunch and failure

In November 2001, The Doha round of trade negotiations started with much hope and ambition covering twenty trade topics, including market access and other distortions in agricultural markets. The Doha Round stalled for various reasons linked to its ambition and diverging interests among negotiating members (e.g., opposition to market access in many developing countries (Brazil, India) and reticence to drastically reduce farm subsidies in OECD countries (US and EU)).

There were some positive achievements such as imposing discipline on export subsidies and competition, and improving trade facilitation to achieve greater transparency. Both these led

to new agreements (trade facilitation agreement of 2013, and export subsidy agreement). Several pivotal matters remain in progress, such as the treatment of public stockholding, or in limbo, especially regarding agricultural support, which is on the rise in several large OECD countries in the presence of the trade war during the Trump administration and more recently with the COVID pandemic.^{vi} Several countries have been notoriously late in their notifications.^{vii} New agricultural support is also likely to emerge for carbon capture and other environmental objectives. Sub-coalitions of countries are also shifting with the emergence of developing economies with vibrant and competitive agriculture, such as Brazil and less competitive countries such as India, unwilling to dismantle their complex agricultural distortion schemes.^{viii}

Another reason for the stalled Doha round is the growing importance of “beyond the border” issues, which has been driven by the development of global value chains. These issues include IPRs, investment codes, dispute settlements, added transparency and others.^{ix} These issues are often better addressed through RTAs. Concurrently, an expansion of South-South trade has decreased the reliance on North-South trade for the South. South-South integration is happening through RTAs rather than through the WTO multilateral negotiation process. For example, Brazil alone and through Mercosur has been entering RTAs with Mexico, Egypt, the Southern African Custom Union and India. This last point leads to our next section on preferential trade agreements.

3. The spaghetti bowl of regional and preferential trade agreements

As shown in figure 1, there has been a proliferation of regional and preferential trade agreements, with 350 RTAs of various depths in force in 2021. This has been referred to as the “spaghetti bowl of RTAs”^x, given the potential for heterogeneous and potentially discriminatory regulations which could emerge from such a large number of RTAs. This trend started in the 1990s and consolidated in the last two decades, especially for Europe. Europe integrated inward and outward. Inward, by enlarging the European Union, with the notable exception of Brexit, from the EU-15 to the current EU-27 plus the EU-27-UK agreement of 2021. Outward, The European Union has RTAs which are concentrated at its periphery and then with Latin and Central America, and eventually beyond (Albania, Bosnia and Herzegovina, Canada, CARIFORUM states, Central America, Chile, Colombia and Peru, and Ecuador, Georgia, Japan, Korea, Mexico, Moldova, Montenegro, North Macedonia, Serbia, Singapore, Ukraine, and Vietnam).

This dual European integration is in contrast with relatively slow U.S. integration beyond NAFTA-USMCA. Since, 2001, the United States has entered into RTAs with Jordan, Chile, Singapore, Australia, Morocco, CAFTA-DR countries, Bahrain, Oman, Peru, Korea, Colombia, and Panama. These were notified to the WTO. Recent U.S. agreements with China and Japan have not yet been notified to the WTO. China often decried as a trade partner lacking transparency, has also integrated into Asia and Pacific countries, first with accession to APTA in 2001 and then with RTAs with ASEAN countries, Pakistan, Singapore, New Zealand, Australia, Chile, and Korea among others. Figure 2 summarizes the trade integration through regional agreements by region, with the outlying case of the European region.

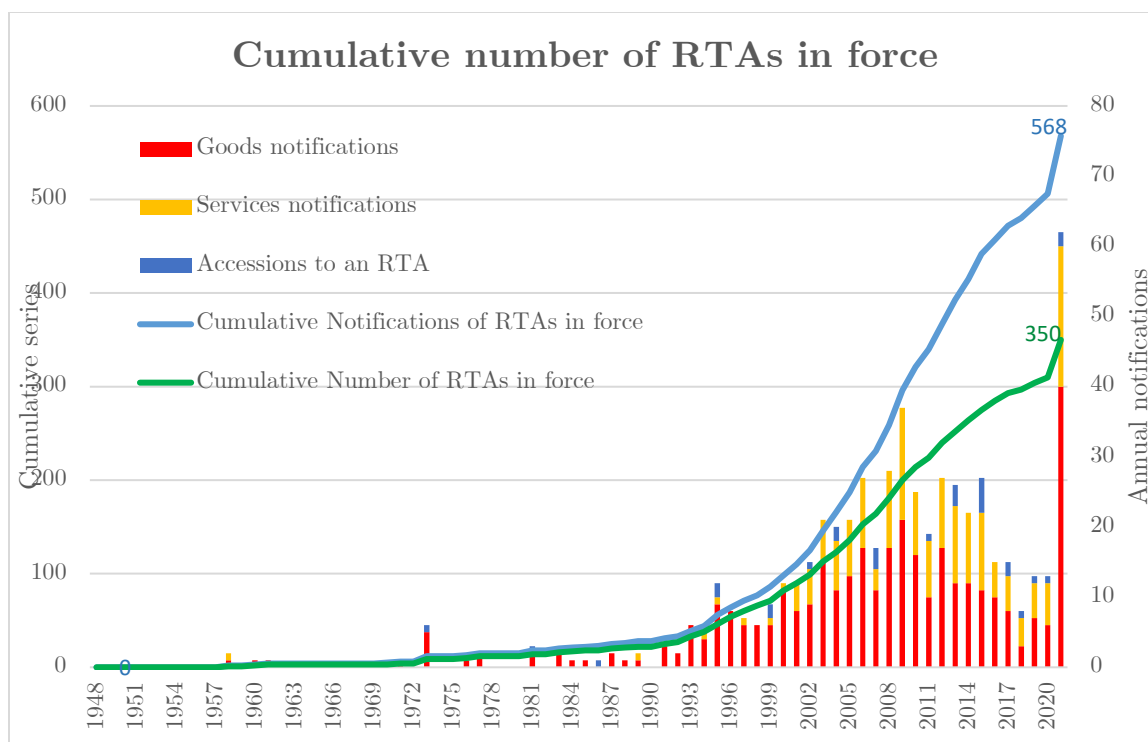


Figure 1. Notifications of RTAs and RTAs in force (as of October 2021)

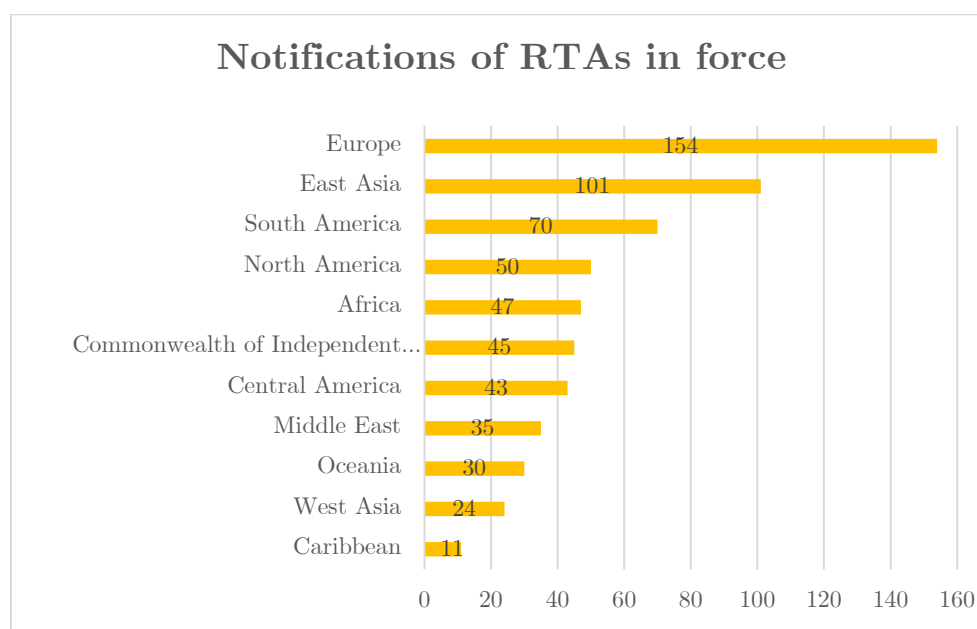


Figure 2. RTAs in Force by regions (as of October 2021)

As shown in Table 2, 261 RTAs were signed in the last two decades. 90% of these were free trade agreements, defined as agreements in which trade barriers have been eliminated (or substantially decreased) among members, and which treats non-members differently. Typically,

FTAs provide integration beyond market access by addressing nontariff measures like sanitary and phytosanitary (SPS) regulations, dispute settlement, investment, safeguards, and other matters. Only 8 agreements were custom union agreements. Custom unions offer common external tariffs faced by nonmembers, and its members face similar internal regulations, food safety standards, farm policy, etc. They represent deeper integration than FTAs. Finally, thirteen partial scope agreements, limited to trade in certain goods, were also signed among developing countries under the so-called enabling clause of the GATT. Among all these, bilateral agreements are more frequent than plurilateral agreements. However, many of these include a RTA as one or both of the signatories. For example 25% of the bilateral agreements fit that pattern.

Table 2. RTAs signed since 2001 by type and composition

Type of RTAs signed between 2001 and 2021	Numbers by type of RTA	Bilateral composition	Plurilateral composition	One party or more is an RTA
Partial scope agreements (PSA)	13	12	1	2
Free trade agreements (FTA)	235	195	40	60
Custom unions (CU)	8	0	13	0
New agreements not specified	5	4	1	4
2001-2021 total	261	211	55	66

Source: The RTA database of WTO. Downloaded September 1, 2021

A notable tendency in recent RTAs is to include a larger number of countries. This mitigates the spaghetti bowl concerns by rationalizing regulations and taxes at the border for the countries entering these large RTAs. Recent examples include the 2018 Comprehensive and Progressive Agreement for Trans-Pacific Partnership among 11 countries, the Regional Comprehensive Economic Partnership Agreement of new ASEAN members and six other WTO members with which ASEAN had bilateral agreements in force; the Pacific Alliance between Chile, Colombia, Mexico and Peru; and the Tripartite Agreement between parties to the Common Market for Eastern and Southern Africa, the East African Community, and the Southern African Development Community, and the African Continental Free Trade Agreement. The latter, ratified by 22 countries (out of 54) could reduce the high agricultural trade costs observed in Africa and the resulting reduced agri-food trade flows. In terms of preferential trade agreements (PTAs) the United States with AGOA (passed in 2000 and renewed in 2015) and the European Union with EBA (2001), have removed most duties on most imports, including agricultural and food imports, from Least Developed Countries, many of them from the African continent. Other barriers remain, such as stringent SPS standards which are hard for many LDCs to meet.

These RTAs and PTAs have led to significant decreases in agricultural and food tariffs. They have arguably offset much of the lack of progress with the Doha round of the WTO. The coalitions of willing parties reflected in these RTAs have been organic and based on existing trading relationships, which had potential to be deepened, rather than the relative straight

jacket of agreeing on “everything” among 164 WTO members (the “single undertaking” approach, discussed below). Many of these RTAs have dispute resolution mechanisms, which may substitute for the contested and now impaired dispute settlement body mechanism of the WTO, though evidence so far indicates they have not done so.

Table 3 shows the average tariffs prevailing in key agri-food sectors for the European Union and the United States and the tariffs they faced with their major trade partners. These are meant to be representative of what is happening globally. Agricultural trade remains distorted but applied tariffs have been falling in most countries, and the number of tariff lines that are duty free has been increasing over time. Without having a RTA, the United States and EU face relatively low average tariffs in each other’s agricultural markets (simple averages of 7.3% for EU exports and 14.2% for US exports), although duty-free flows remain a small share of their tariff lines.

In addition to tariffs, many WTO members have so called tariff-rate-quotas (TRQs) applied to agricultural and food trade. TRQs are two-tier tariffs around a fixed quota (import volume). Imports within the quota face a small tariff; imports beyond the quota face a much higher (and often prohibitive) tariff rate. The European Union and the United States are the largest users of TRQs in the WTO, a legacy of quota protection in food markets that was in place before the Uruguay Round Agreement. The European Union has 124 TRQs and the United States 54, many of these on beef and other meats, dairy products, grains and sugar. TRQs often exhibit under-fill because of lack of transparency in allocation mechanisms.^{xi}

A TTIP-style agreement between the European Union and US could reduce these remaining duties and expand or eliminate bilateral TRQs. RTAs such as TTIP go beyond simple market access measures and address nontariff measures through increased transparency (e.g., for biotechnology approvals), reciprocity in SPS and TBT measures, and in some case harmonization of SPS regulations (e.g., Australia-New Zealand food safety regulations). These NTM changes are harder to quantify but strong evidence is showing that costs associated with agri-food NTMs are large but fall significantly with RTAs.^{xii xiii} Addressing these NTMs actually may be more important in the context of global supply chains and global firms more concerned by beyond-the-border regulations, FDI regimes, and intellectual property rights, rather than by tariffs.

TTIP negotiations failed because of difficulties resolving longstanding EU-US differences in biotechnology approval processes, science-based versus precautionary SPS regulations, such as hormone-treated beef and chlorinated chicken, and geographic indications which provide exclusive naming rights to producers located in specific areas, such as champagne or Parma ham and who follow designated production processes. These deep EU-US frictions on agricultural matters have existed for a long time and could not be resolved during the period of intense negotiations during the Obama administration.^{xiv} Other issues, such as the investment-dispute resolution mechanism, were also contentious but not focused on agriculture.

The proliferation of RTAs is partly a response to a lack of multilateral progress to liberalize agricultural trade by decreasing tariffs, although the WTO was successful at establishing

Table 3. Agricultural tariffs in place in the EU and the US from *World Tariff Profiles 2021*

EU import tariffs				MFN Applied duties			Imports	
Product groups	AVG	Duty-free in %	Max tariff	AVG	duty free in %	Max	share in %	duty free in %
Animal Products	15.3	24.3	94	15.6	28.4	94	0.3	6.1
Dairy products	37.2	0	212	37.1	0	200	0	0
Fruit Vegetable plants	11.5	21.7	146	10.6	19.8	146	1.8	15.5
Coffee tea	5.9	27.1	14	5.9	27.1	14	0.8	68.1
Cereals and preparation	16	6.5	52	13.7	13	52	0.7	37.8
Oilseeds, fats & oils	5.3	47	100	5.3	48.3	100	1.4	70.2
Sugar and confectionery	24.3	0	117	24.5	11.8	117	0.1	13
Beverage and Tobacco	18.9	19.6	147	19.1	18.4	147	0.6	19.2
Cotton	0	100	0	0	100	0	0	100
Other Agricultural Products	4.1	64.7	319	3	65.5	66	0.5	64.2
Fish and fish products	11.4	11.8	26	11.6	7.5	26	1.4	4.2

EU Exports to major trading partners and duties faced in Agriculture 2019 data						
Major partners	in \$ million	%MFN avg traded Tariff Lines (TL)		preference margin	duty free flows	
		simple	weighted	weighted	TL in %	Value in %
USA	25,435	7.3	2.3	0	24.3	40
China	18,058	12.5	12.4	0	8.1	4.3
Japan	10,333	25.7	15.3	5.1	48.5	40.4
Switzerland	9,102	33.4	21.2	4.9	31.8	41.6
Russian Federation	7,650	9.4	9.5	0.4	7.6	10.9

US import tariffs				MFN Applied duties			Imports	
Product groups	AVG	Duty-free in %	Max tariff	AVG	duty free in %	Max	share in %	duty free in %
Animal Products	2.4	30.8	26	2.3	30.8	26	0.5	22.1
Dairy products	17.6	0.3	118	18.4	0.3	118	0.1	11.3
Fruit Vegetable plants	4.8	20.2	132	4.6	20.9	132	1.7	23.3
Coffee tea	3.2	53.5	54	3.2	53.5	54	0.5	71.9
Cereals and preparation	3.5	21	56	3.1	20.1	44	0.9	31.4
Oilseeds, fats & oils	4.3	23.9	164	7.2	25.9	164	0.4	29
Sugar and confectionery	13.3	2.9	66	13.8	2.7	45	0.2	6.1
Beverage and Tobacco	15	27.7	350	17.9	25	350	1.2	51.3
Cotton	3.7	38.3	16	3.7	38.3	16	0	77.6
Other Agricultural Products	1.2	58.9	52	1.1	61	52	0.4	64
Fish and fish products	1	82.1	35	0.7	85	35	0.9	92

US Exports to major trading partners and duties faced in Agriculture 2019 data						
Major partners	in \$ million	%MFN avg traded TL		preference margin	duty free	flows
		simple	weighted	weighted	TL in %	Value in %
Canada	20,611	21	9.6	4.5	91.9	97.8
Mexico	19,082	16.5	17.5	17.5	99.2	100
Japan	13,198	24.7	28	0	21.6	34.7
China	13,095	13.2	8.8	0	6.8	1.4
EU	12,661	14.2	4.5	0	13.8	45.5

further agricultural export subsidy discipline among its members with the December 2015 Ministerial Decision on export subsidies in its so-called Nairobi Package. Developed members committed to eliminating all export subsidies but for a few cases, immediately, and developing members will phase their agricultural subsidies until 2023. Progress on transparency and notifications has been tangible although many countries are only partially fulfilling their obligations, such as single inquiry points on NTMs which disproportionately affect agricultural and food trade.

RTAs have been able to overcome some of the stumbling blocks of the greater Doha Round negotiations, often motivated by organic trade activity and integration induced by geographical or cultural proximity (e.g., CIS countries, Australia-NZ and Pacific Islands) or former colonial links (e.g., former commonwealth member Ghana and the UK).^{xv} This is in contrast to the WTO membership at large with heterogeneous distances and trade intensities.

4. Dark clouds over the WTO

In a prescient 1978 article, Jackson wrote that, “almost every rule of the GATT is inadequate to the present problems of world trade.”^{xvi} Today, each of the WTO’s three main pillars—dispute settlement, negotiation, and monitoring—continues to face numerous pressures. The Dispute Settlement Understanding (DSU) suffered a serious (some say fatal) blow when its appeals function, the Appellate Body, collapsed in late 2019 as a result of U.S. objections to how it was operating. Beginning in 2016, the United States blocked the appointment of new judges to fill vacancies as terms expired on the seven-member body until it lost a quorum and could not hear appeals. The binding nature of the DSU and severe penalties for noncompliance—unprecedented in the multilateral trading system—earned it the label of the “crown jewel” of the WTO.^{xvii} The collapse of the Appellate Body leaves appeals in limbo for the foreseeable future. A February 2021 report of the European Commission called some of the U.S. concerns with the Appellate Body “valid.”^{xviii} This signaled some recognition of U.S. concerns, though the Biden administration has not yet detailed its approach to the situation and significant movement toward addressing the impasse does not seem imminent.

Members can still settle disputes in the earlier stages of the WTO process through consultations or by adopting the report of an expert panel assembled to consider the dispute. They can also use the trade-concern route within the SPS and TBT committees of the WTO before starting an official dispute consultation. Both committees meet twice per year to hear members’ concerns. Out of about 58,000 SPS and TBT notifications (as of March 2019), 1020 led to specific trade concerns, and out of these, 20 ended in full blown disputes with Panel and Appellate Body reports.^{xix} For example, in 2001, the U.S. raised a concern in the SPS Committee related to the lack of a functioning approval process in the European Communities for agricultural biotechnology products. This concern eventually devolved into three separate disputes, all resolved through either the adoption of a DSB panel report or a mutually agreed solution.^{xx}

About two dozen WTO members, including the European Union, signed on to a workaround called the Multi-Party Interim Appeals Arbitration Agreement, though it has yet to hear an appeal. There are other methods for dispute settlement, though none rest on the tradition, expertise, and legitimacy of the WTO. Many RTAs contain their own dispute settlement procedures, but countries seldom use these, partly for cost reasons.^{xxi} Activating those mechanisms (e.g., forming a panel) entails costs, whereas the cost of using WTO dispute settlement procedures is already “sunk” in the form of members’ annual contributions to the WTO budget. To date, the Biden administration has not departed from

its predecessor's approach to the Appellate Body.

Recent unilateral actions also challenge the future of the DSB and the WTO at large. The Trump administration resorted to such actions to address trade frictions, most famously through the imposition of tariffs on steel and aluminum and on approximately \$370 billion worth of imports from China, effectively sidelining the WTO. The Biden administration has retained these tariffs, with no apparent plans to remove them. The WTO's binding dispute settlement mechanisms were intended to forestall such actions, reserving trade retaliation for instances only when authorized through the DSB. These unilateral developments are a reminder that the WTO ultimately rests on the political will of its members to uphold the system they created.

As the WTO negotiating mechanism has stalled, RTAs have proliferated as noted. More recently, so have smaller deals focused on a narrower range of issues – sometimes called sectoral deals, mini-deals or phased deals. The Trump administration concluded two high-profile mini deals—the U.S. Japan Free Trade Agreement and the U.S-China Phase One deal. Both contained important agricultural provisions and both took effect without Congressional approval. Claussen has termed these deals “trade executive agreements (TEAs).” She shows they are much more prevalent than previously understood.^{xxii} The author has catalogued more than 1,200 such agreements in place between the United States and 130 countries, all concluded over the last 40 years. The Trump administration concluded 32 TEAs in 2020 alone. The scope of these deals ranges widely, from those relating to a single product to those that cover a large swath of an entire sector, like those mentioned above. Claussen assesses that TEAs are likely to be the primary mode of trade policymaking in the Biden administration, which has been clear that comprehensive FTA negotiations are not currently a priority—which means they will also be an important tool for U.S. trading partners on the other side of these agreements.

The maintenance of the multilateral trading system relies on a regular supply of accurate information about WTO members' domestic trade laws and policies. VanGrasstek has emphasized that “transparency has always been recognized as a cardinal virtue in the multilateral trading system.”^{xxiii} The GATT established requirements for notifications. A clear view of countries' domestic trade laws and policies is important for assessing compliance with WTO agreements and potentially precluding disputes in cases where measures may conflict with WTO rules. As trade has grown more complex since the GATT's inception (for example, through non-tariff measures), there are more topics that fall within the system, and more notifications that members are supposed to make. VanGrasstek has noted that there are “more than 200 provisions in WTO agreements requiring notifications, most of them related to non-tariff measures and many for agricultural policy and trade.”^{xxiv}

Members' compliance with notification requirements has fallen short. For example, in 2017, only 52% of members notified their subsidies in line with obligations under the Agreement on Subsidies and Countervailing Measures.^{xxv} On agriculture, Willems notes that “at least one third of regular notifications under the Agreement on Agriculture are outstanding for the period 1995-2015.”^{xxvi} Further examples abound, and this trend has given rise to proposals to encourage countries to increase compliance or provide technical assistance to less developed countries that may find these commitments difficult to meet. This is another institutional issue weighing on the organization. However, substantive issues such as a controversial proposal to waive certain intellectual property commitments to facilitate access to COVID-19 vaccines and a deal to curb fisheries subsidies top the agenda for the next Ministerial Conference scheduled for November 30, 2021. How far the WTO can go toward substantive

outcomes on trade policy concerns before shoring up the important elements of its dispute settlement and transparency infrastructure remains a key question.

5. The future of the agricultural trading system

We have explained and foresee the evolution of agreements with the continued importance of “mega-deal” RTAs, which rely on organic trade integration, such as the CPTPP and TTIP, among established trade partners. We also see the WTO as an essential structure of the trading system, but not so much as reaching “grand bargains,” such as the Doha round, which have been elusive. Rather, the WTO has an important function in the enforcement of current commitments, which are extensive. The role of the WTO could evolve into mediating RTAs and their consistency with multi-lateral obligations. The WTO would promote transparency with these RTAs.

The WTO could let parties solve their disputes using the dispute settlement mechanism established within their RTAs. Historically this has not been the case, partly because the WTO dispute settlement mechanism was in place. The collapse of the Appellate Body means the appeals stage is no longer an option, but the WTO could use other mechanisms to preclude disputes. As noted, the SPS and TBT Committees have an important role in the discovery of trade concerns and their resolution before full-blown dispute procedures are initiated. Other committees within the WTO also discuss trade frictions but do not have an established process such as the TBT and SPS agreements.^{xxvii} These discussions could be formalized to replicate the special trade concern (STC) process in TBT and SPS measures. This trade-facilitating function is important to signal issues and reveal their importance and stickiness, even though the concerns may not be resolved. The slow speed of resolution remains a frustrating element of WTO procedures around trade frictions.

In addition, the WTO could have a strong(er) monitoring role of member states as it already does with the country policy reviews and go beyond with membership-wide assessment of conformity with existing agreements. For example, the WTO could provide systematic updates on actual conformity with agricultural subsidies notifications, and simple transparency commitments on SPS measures (e.g., establishment of national portals to NTM regulations and their effectiveness).^{xxviii} These simple examples are low-hanging fruits. More elaborate reporting could follow if these early reporting efforts nudge members into conformity.

In sum, we conjecture that the WTO will have to adjust to a world of RTAs and use its tools and procedures to support the multilateral trading system through increasing transparency of RTAs and reporting on conformity with existing WTO agreements. The WTO can also use other tools to head off disputes, like the SPS and TBT committees do, and extend them to other WTO committees.

Endnotes

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- ⁱ Yeutter Institute of International Trade and Finance (Beghin and O'Donnell) and Department of Agricultural Economics (Beghin), University of Nebraska Lincoln, Lincoln NE 68583, USA. Email: beghin@unl.edu and jodonnell2@unl.edu. Beghin is corresponding author. This is an expanded version of a forthcoming article in *EuroChoices* under the same title. We thank David Blandford for comments on an earlier version of the paper.
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