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Testimony before the U.S.-China Economic and Security Review Commission  
Challenging China's Trade Practices: Promoting Interests of U.S. Workers, Farmers, Producers  
and Innovators  
Panel IV: China and the WTO

Since joining the WTO at the end of 2001, China has risen to become the world's largest exporter and has generally outperformed the world economy becoming the world's second largest economy. China will likely overtake the United States in terms of national GDP in the coming years. So WTO membership has been of enormous benefit to China including through encouraging foreign investment, transfer of technology, improved productivity and quality and higher living standards. Indeed, hundreds of millions of Chinese have been lifted out of poverty over the last decades.

When China was admitted to the WTO, the Chinese economy was not yet market oriented nor consistent with a wide range of WTO obligations. The result was a Protocol of Accession and Working Party Report that were the most complicated in terms of additional efforts needed by China and a timeframe for making additional wide ranging modifications to its economic system.

While China adopted many of its obligations at the beginning of WTO membership in 2002 and worked for a number of years to implement further important structural changes, China has moved away from its efforts to reform its economy to be more market driven and has reembraced its state-directed economic model over the last decade or so.

Because of the size of the Chinese economy and the enormity of the government's involvement and distortions imposed on the functioning of the economy, the distortions caused to trading partners operating on market principles have been massive. These have included massive excess capacity in many industries flowing from state plans and subsidies, restricted market access to foreign products, theft of intellectual property and forced technology transfer, and the creation of false market signals in terms of costs of production. There have been many critiques of China's WTO membership. My reflections are contained in a recent post. *See* December 11, 2021: 20 Years of China's Membership in the WTO — a brief critique, <https://currentthoughtsontrade.com/2021/12/11/20-years-of-chinas-membership-in-the-wto-a-brief-critique/>.

Even without China, the WTO has struggled since its creation to update global trade rules. The inability to have successful negotiations on a range of topics flows from a variety of reasons including the consensus based decision making, large differences in views of purpose of and direction for the WTO among Members, and a dispute settlement system that has often deviated from its limited role encouraging members to file disputes instead of negotiating. The organization has struggled to maintain its relevance in a rapidly changing world. For many market economies, the WTO is not viewed as able to adequately address the distortions created by a state-directed economy the size of China's.

From the beginning of China's WTO membership, other Members have worked to help China conform its system to the WTO requirements. For example, major trading partners of China, including the U.S., European Union, Japan, Canada, Australia and others spent years working with Chinese agencies to help them bring laws into compliance with WTO obligations and worked bilaterally to resolve problems as they arose. Such activity has not been unusual for WTO Members in the early years of membership to help new Members understand what additional changes are appropriate or to resolve practices of concern bilaterally.

Where China was unable or unwilling to bring practices or laws/regulations into conformity, the U.S., EU and others have brought disputes at the WTO. As of April 8, 2022, China is or has been a respondent in 49 WTO disputes. It has also brought 22 cases against the U.S., EU and others and participated as a third party in 192 disputes. Most of the cases that have brought against China consisted of situations where China's actions were facially inconsistent with WTO obligations. Where cases weren't resolved through consultations and China lost the dispute, China has typically implemented the loss although in a narrow fashion. China has brought cases to address what it considered to be "discriminatory" provisions of its Protocol of Accession (country specific safeguard; continuation of treatment as a non-market economy after 15 years) or to attempt to weaken trade remedies of major trading parties like the United States and the EU. Some of these efforts were unsuccessful. However, China has been able to obtain weakening of trade remedy practices with reports by WTO panels and the Appellate Body viewed by the U.S. and others as changing the rights they had under the trade remedy agreements.

As the 2020 USTR report on the WTO Appellate Body made clear, dispute settlement at the WTO has had the unintended consequence of changing the bargain reached in the Uruguay Round for the United States. *See* February 14, 2020: USTR's Report on the WTO Appellate Body – An Impressive Critique of the Appellate Body's Deviation from Its Proper Role, <https://currentthoughtsontrade.com/2020/02/14/ustrs-report-on-the-wto-appellate-body-an-impressive-critique-of-the-appellate-bodys-deviation-from-its-proper-role/>.

Moreover, as articulated by the prior Administration and the present Administration, the current WTO agreements and dispute settlement don't adequately address the global distortions caused by the state-directed economy of China and those copying its practices. *See, e.g.*, December 14, 2020: WTO December 14th Heads of Delegation meeting – parting comments of U.S. Ambassador Dennis Shea, <https://currentthoughtsontrade.com/2020/12/14/wto-december-14th-heads-of-delegation-meeting-parting-comments-of-u-s-ambassador-dennis-shea/>.

There have been efforts by the U.S., EU and Japan to start an evaluation of possible modifications to the Subsidies and Countervailing Measures Agreement to address the massive industrial subsidies, global excess capacity and state-owned, state-invested enterprises that characterize some of the important ongoing distortions created by the Chinese state-directed economy. While China has indicated it would be open to a reexamination of all subsidy practices, it is unclear what agreement could be reached within the WTO. In any event, agreement on any changes will take years to accomplish and will almost certainly be less than what is needed because of the consensus approach to decision making at the WTO. Presumably the first panel today reviewed the efforts at WTO reform on industrial subsidies, excess capacity

and state-owned enterprises. Several posts of mine have addressed some aspects of the issue. *See, e.g.*, January 14, 2020: WTO Reform – Joint Statement of January 14, 2020 of Japan, the U.S. and the EU, <https://currentthoughtsontrade.com/2020/01/14/wto-reform-joint-statement-of-january-14-2020-of-japan-the-u-s-and-the-eu/>.

China has been viewed by many WTO Members as retaliating against WTO Members who bring disputes or who use trade remedies by bringing disputes themselves or bringing trade remedy cases. They also resort to intimidation through wide ranging and often non-transparent actions to punish trading partners who take positions China strongly disagrees with. China's actions against Australia and more recently Lithuania are just two examples. I have looked at both cases in posts in the last several years. *See* January 27, 2022: The European Union requests consultations with China at the WTO for restrictions on Lithuanian goods imposed by China, <https://currentthoughtsontrade.com/2022/01/27/the-european-union-requests-consultations-with-china-at-the-wto-for-restrictions-on-lithuania-goods-imposed-by-china/>; January 7, 2022: China's "bullying" of Lithuania — a repeating story inconsistent with WTO rules, <https://currentthoughtsontrade.com/2022/01/07/chinas-bullying-of-lithuania-a-repeating-story-inconsistent-with-wto-rules/>; December 22, 2020: China's trade war with Australia – unwarranted and at odds with China's portrayal of itself as a strong supporter of the WTO, <https://currentthoughtsontrade.com/2020/12/22/chinas-trade-war-with-australia-unwarranted-and-at-odds-with-chinas-portrayal-of-itself-as-a-strong-supporter-of-the-wto/>.

The lack of transparency in the Chinese system permits a wide range of trade distortions to arise (e.g., when state, provincial or local governments ban imports without formal notice or explanation, when technology transfer is required to operate but not included in documents, etc.). China's submissions to the WTO in areas such as subsidies have been viewed by the U.S., EU and others as woefully incomplete and have led to counternotifications being made by the U.S. *See, e.g.*, USTR Press Release, United States Details China and India Subsidy Programs in Submission to WTO, October 6, 2011, <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2011/october/united-states-details-china-and-india-subsidy-prog>; SUBSIDIES, Request from the UNITED STATES to CHINA, Pursuant to Article 25.10 of the Agreement, G/SCM/Q2/CHN/42 (11 October 2011).

While China has long been cited as having major human rights problems, in recent years, the trade implications of forced labor and other human rights issues have led to increased activity in an effort to cut off imports into the U.S. of products made from forced labor (in part or total). *See, e.g.*, February 13, 2022: February 10, 2022 release of ILO report and subsequent U.S. State Department press release on forced labor and other human rights issues in Xinjiang Autonomous Region of China, <https://currentthoughtsontrade.com/2022/02/13/february-10-2022-release-of-ilo-report-and-subsequent-u-s-state-department-press-release-on-forced-labor-and-other-human-rights-issues-in-xinjiang-autonomous-region-of-china/>; February 11, 2022: Stopping imports made in whole or in part from forced labor — U.S. law and the looming challenge on goods made from cotton and polysilicon, <https://currentthoughtsontrade.com/2022/02/11/stopping-imports-made-in-whole-or-in-part-from-forced-labor-u-s-law-and-the-looming-challenge-on-goods-made-from-cotton-and-polysilicon/>; December 19, 2021: Forced labor and trade — U.S. Congress passes legislation to address China's treatment of Uyghurs,

<https://currentthoughtsontrade.com/2021/12/19/forced-labor-and-trade-u-s-congress-passes-legislation-to-address-chinas-treatment-of-uyghurs/>; January 25, 2021: Child labor and forced labor in cotton production — is there a current WTO mandate to identify and quantify the distortive effects?, <https://currentthoughtsontrade.com/2021/01/25/child-labor-and-forced-labor-in-cotton-production-is-there-a-current-wto-mandate-to-identify-and-quantify-the-distortive-effects/>; January 24, 2021: Forced labor and child labor – a continued major distortion in international trade for some products, <https://currentthoughtsontrade.com/2021/01/24/forced-labor-and-child-labor-a-continued-major-distortion-in-international-trade-for-some-products/>.

The array of inconsistencies with WTO norms are reviewed annually in the USTR Report to Congress on China's Compliance with the WTO. *See, e.g.*, February 16, 2022: USTR's 2021 Report to Congress on China's WTO Compliance — a recognition that all of China's distortions to competition cannot be dealt with within the WTO, <https://currentthoughtsontrade.com/2022/02/16/ustrs-2021-report-to-congress-on-chinas-wto-compliance-a-recognition-that-all-of-chinas-distortions-to-competition-cannot-be-dealt-with-within-the-wto/>.

Prior Administrations have engaged both bilaterally with China and through disputes to get China to live up to its commitments under the WTO. The Trump Administration sought to address global excess capacity in steel and aluminum through use of Section 232 of the Trade Expansion Act of 1962, as amended, on national security concerns and conducted a section 301 investigation on a range of Chinese practices in, *inter alia*, the intellectual property area which resulted in additional tariffs being imposed on most goods coming from China. WTO challenges and court challenges in the U.S. have been testing the breadth of the U.S. national security law and the WTO consistency of such actions.

While some observers have called for excluding China from the WTO or forming a separate grouping that excludes China, the WTO has no identified process for removing countries from membership, although the current crisis caused by the Russian Federation's invasion of Ukraine has shown the willingness of a number of major economies to remove most favored nation status on a Member for national security reasons. *See, e.g.*, January 16, 2022: Is it time for a new approach to bilateral trade with China?, <https://currentthoughtsontrade.com/2022/01/16/is-it-time-for-a-new-approach-to-bilateral-trade-with-china/>; March 2, 2022: A former Appellate Body Chair argues WTO Members have the ability to remove the Russian Federation from WTO Membership; other proposals to strip MFN benefits from Russia and services restrictions, <https://currentthoughtsontrade.com/2022/03/02/a-former-appellate-body-chair-argues-wto-members-have-the-ability-to-remove-the-russian-federation-from-wto-membership-other-proposals-to-strip-mfn-benefits-from-russia-and-services-restrictions/>; March 20, 2022: Banned imports, higher tariffs, other actions by trading partners as Russia and Belarus lose most favored nation treatment by G-7 countries and EU during the conflict in Ukraine, <https://currentthoughtsontrade.com/2022/03/20/banned-imports-higher-tariffs-other-actions-by-trading-partners-as-russia-and-belarus-lose-most-favored-nation-treatment-by-g-7-countries-and-eu-during-the-conflict-in-ukraine/>.

The Biden Administration has expressed the intention of working with allies to improve the WTO while looking at additional tools to address the distortions caused by the Chinese system.

*See, e.g.*, Testimony of Ambassador Katherine Tai Before the Senate Finance Committee Hearing on the President's 2022 Trade Policy Agenda, <https://ustr.gov/about-us/policy-offices/press-office/speeches-and-remarks/2022/march/testimony-ambassador-katherine-tai-senate-finance-committee-hearing-presidents-2022-trade-policy> (March 31, 2022). Thus, the Biden Administration will engage bilaterally with China, will focus on strengthening the U.S. economy (e.g., improved infrastructure, more resilient supply chains, more domestic production of key products, improved Buy America), explore new tools to address distortions (e.g., the U.S.-EU efforts on steel and aluminum to address excess capacity), and will work regionally and through the WTO to address issues of importance where possible.

### Questions of interest to the USCC for this panel

**1. China has repeatedly refused to abide by the spirit of the World Trade Organization. Is the WTO still relevant to addressing the challenges posed by China's policies?**

The fundamental problem posed by China in the WTO is its state-directed economic system which is fundamentally at odds with market economies. Former Deputy Director-General of the WTO Alan Wolff has opined on a number of occasions that a core principle of the WTO is the need for convergence of economic systems of WTO Members. Coexistence of different economic systems is not dealt with by the WTO Agreements and is not compatible with WTO rules. *See, e.g.*, November 10, 2020: The values of the WTO – do Members and the final Director-General candidates endorse all of them?, <https://currentthoughtsontrade.com/2020/11/10/the-values-of-the-wto-do-members-and-the-final-director-general-candidates-endorse-all-of-them/> August 19, 2020 [updated August 27]; August 19, 2020 [updated August 27]: The race to become the next WTO Director-General – where the candidates stand on important issues: convergence vs. coexistence of different economic systems; possible reform of rules to address distortions from such economic systems – Part 2, comments by the candidates, <https://currentthoughtsontrade.com/2020/08/19/the-race-to-become-the-next-wto-director-general-where-the-candidates-stand-on-important-issues-convergence-vs-coexistence-of-different-economic-systems-possible-reform-of-rules-to-address/>; August 17, 2020: The race to become the next WTO Director-General – where the candidates stand on important issues: convergence vs. coexistence of different economic systems; possible reform of rules to address distortions from such economic systems – Part 1, background on issues, <https://currentthoughtsontrade.com/2020/08/17/the-race-to-become-the-next-wto-director-general-where-the-candidates-stand-on-important-issues-convergence-vs-coexistence-of-different-economic-systems-possible-reform-of-rules-to-address-dist/>.

While the U.S., EU and others have raised the need to address the myriad distortions caused by non-market economies (or state directed economies) as part of WTO reform, it is highly unlikely that WTO Members will agree to broad based changes, although some changes to the Subsidies Agreement may be accomplished over the medium term (5 years or more).

**2. Can the WTO meaningfully address the repeated problem of Chinese subsidies? In particular, with subsidies emanating from state-owned companies, is it feasible to**

**overcome the WTO’s definition of what constitutes a “public body”? Was the WTO’s decision correctly decided based on negotiated commitments?**

While the U.S. lost the dispute on “public bodies,” the U.S. has continued to pursue countervailing duty cases against imports from China, typically with large countervailable subsidies found. Thus, U.S. countervailing duty law can likely still be effective in many cases despite the adverse public body decision. That does not protect U.S. export interests both in China and in third countries.

The WTO adverse decision will almost certainly be part of the package of proposals for reform coming from the U.S., EU and Japan. Because of China’s interest in maintaining the Appellate Body’s reading of “public body”, it is unclear if revision at the WTO will be possible.

The United States identified the public body decision as one of the most egregious Appellate Body overreach decisions in its 2020 report on the Appellate Body. See USTR, REPORT ON THE APPELLATE BODY OF THE WORLD TRADE ORGANIZATION, February 2020, [https://ustr.gov/sites/default/files/Report\\_on\\_the\\_Appellate\\_Body\\_of\\_the\\_World\\_Trade\\_Organization.pdf](https://ustr.gov/sites/default/files/Report_on_the_Appellate_Body_of_the_World_Trade_Organization.pdf), pages 82-88 (“The Appellate Body’s Erroneous Interpretation of ‘Public Body’ Threatens the Ability of WTO Members to Counteract Trade-Distorting Subsidies Provided through SOEs, Undermining the Interests of All Market-Oriented Actors”). I concur that the decision is inconsistent with the underlying WTO Subsidies and Countervailing Measures Agreement.

The decision has been widely criticized, including by people who were actively involved in the negotiations (Jan Woznowski, Director of the Rules Division; Michael Cartland, Permanent Representative of Hong Kong who served as the Chair of the Subsidies and Countervailing Measures negotiations, and Gerard DePayre, negotiator for the European Union on Subsidies and Countervailing Measures). See Cartland, Michael, Depayre, Gérard & Woznowski, Jan. “Is Something Going Wrong in the WTO Dispute Settlement?” *Journal of World Trade* 46, no. 5 (2012): 979–1016, at 996. USTR characterized the paper as follows in its 2020 Report (pages 86-87):

“Commentators have also criticized the Appellate Body’s interpretation. For example, in an article in the *Journal of World Trade*, Michael Cartland, Gérard Depayre, and Jan Woznowski – each of whom participated in the Negotiating Group on subsidies and countervailing measures in the Uruguay Round – present a detailed discussion of the Appellate Body report in *US – Anti-Dumping and Countervailing Duties (China)* and raise a host of concerns with the Appellate Body’s interpretation of the term ‘public body,’ calling the analysis ‘internally contradictory’ and ‘disingenuous.’”

**3. As national security becomes a higher priority for both the United States and China, how can the WTO remain relevant or useful in breaking down barriers to trade?**

Since the GATT started in the late 1940s there has always been a national security exception to obligations assumed under the GATT and now under the WTO. GATT 1994 Article XXI reads:

Article XXI  
Security Exceptions

Nothing in this Agreement shall be construed

- (a) to require any contracting party to furnish any information the disclosure of which it considers contrary to its essential security interests; or
- (b) to prevent any contracting party from taking any action which it considers necessary for the protection of its essential security interests
  - (i) relating to fissionable materials or the materials from which they are derived;
  - (ii) relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment;
  - (iii) taken in time of war or other emergency in international relations; or
- (c) to prevent any contracting party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

Similar provisions are in the Services and TRIPS Agreements.

The bulk of the actions taken by the United States against China have not been premised on national security. Trade remedies (antidumping, countervailing duty, safeguard), Section 301 actions have not been premised on national security but other statutory bases. Section 232 actions, such as on steel and aluminum, have been based on national security concerns.

Similarly, U.S., EU, UK, Canada, Japan and others who have removed most favored nation treatment from the Russian Federation after its invasion of Ukraine have justified such action on national security (presumably GATT 1994 Art. XXI (b)(iii) for goods).

Many WTO Members, including China, the EU, Canada, Mexico and others, took unilateral action without WTO authorization when the U.S. imposed duties under Section 232, some claiming that such action was supported by the Safeguard Agreement where imports had not increased. Such actions by U.S. trading partners were not justified on national security grounds.

U.S. 232 action is currently subject to panel review at the WTO with panel reports currently due by the end of the first half of 2022. *See, e.g., UNITED STATES – CERTAIN MEASURES ON STEEL AND ALUMINIUM PRODUCTS COMMUNICATION FROM THE PANEL, WT/DS544/12 (China as complainant)(10 December 2021).*

The U.S. has long contended that when a Member claims national security as the basis for action, there is no role for the WTO dispute settlement system. National security actions by other countries whether involving goods or TRIPS have been found by WTO panels and the Appellate Body as subject to review and permissible if in accordance with the provisions of GATT 1994 Article XXI (or comparable provisions in the TRIPS Agreement). *See, e.g., World Trade*

Institute Working Paper No. 03/2020, Peter Van den Bossche and Sarah Akpofure, The Use and Abuse of the National Security Exception under Article XXI(b)(iii) of the GATT 1994, [https://www.wti.org/media/filer\\_public/50/57/5057fb22-f949-4920-8bd1-e8ad352d22b2/wti\\_working\\_paper\\_03\\_2020.pdf](https://www.wti.org/media/filer_public/50/57/5057fb22-f949-4920-8bd1-e8ad352d22b2/wti_working_paper_03_2020.pdf).

If the panel report finds the U.S. not having complied with WTO obligations, the U.S. will have the option of seeking a resolution with the complainants or filing an appeal.

To the extent that the U.S. views an increased need to invoke national security justification for action contrary to other WTO obligations and such actions would not fall under the exceptions as construed by panels, the U.S. will be left with seeking modification of GATT Art. XXI (and the comparable GATS and TRIPS provisions) as part of WTO reform or can hold up reacceptance of binding dispute settlement, or can simply accept the retaliation likely to follow.

It is not my view that national security will be the major tool used going forward to address distortions from China.

**4. Katherine Tai recently posed the question of whether U.S. policy is aiming for a greater quantity of liberalized trade or “for smarter and more resilient trade.” Is the WTO compatible with a latter vision?**

The GATT and now WTO have always had provisions permitting members to deviate from obligations in certain circumstances and to adopt laws and regulations to address health, quality and other national concerns. Thus, there is nothing in the WTO that prevents countries from engaging in smarter or more resilient trade.

The U.S. during the Trump Administration, had raised a series of issues concerning whether the existing system was sustainable as being tilted against the United States. The issues included self-selection as a developing country (with entitlement to special and differential treatment), lack of transparency by some Members, the need to rebalance tariff commitments in light of current level of economic development, revised agreements to address distortions created by state-directed economies like China. See, e.g., August 24, 2020: USTR Lighthizer’s Op Ed in the Wall Street Journal – How to Set World Trade Straight, <https://currentthoughtsontrade.com/2020/08/24/ustr-lighthizers-op-ed-in-the-wall-street-journal-how-to-set-world-trade-straight/>. These types of changes, if made to the WTO, would make the international trading system smarter and more resilient. Most observers believe such changes are unlikely to be achievable.

The Biden Administration has been putting a push on trading partners to take action against forced labor within the ongoing negotiations on fisheries subsidies. While it is unlikely that such provisions will be accepted by all WTO Members (particularly China) as part of the fisheries subsidies negotiations, such action is being pursued within USMCA countries and some others. Eliminating trade based on forced labor would be smarter and more resilient trade.

The WTO and the GATT before it have historically been reluctant to embrace labor and environmental issues, though there has been a trade and environment committee for many years



and there are now a range of environmental plurilateral negotiations taking place. Dealing with environmental issues and to the extent possible labor issues would make for smarter and more resilient trade. The environmental negotiations are likely to be plurilateral but open to all to join.

In short, it should be possible for WTO Members to adopt at least many aspects of “smarter and more resilient trade” without running afoul of WTO obligations.

##### **5. What is the promise of other initiatives taking place in the WTO related to digital trade and what is the likelihood that they can change Chinese practices?**

WTO Members launched a series of Joint Statement Initiatives (JSIs) among the willing at the 11<sup>th</sup> Ministerial Conference held in Buenos Aires in 2017. While countries like India and South Africa have not joined any of the JSIs and have raised questions about the propriety of the WTO incorporating plurilateral agreements without consensus of all Members, there has been a lot of effort over the last four years on moving the negotiations forward, seeking some completions by the 12th Ministerial Conference this June.

Ongoing JSI include those on electronic commerce, investment facilitation for development, plastics pollution and environmentally sustainable plastics trade, services domestic regulation, informal working group on MSMEs, and trade and environmental sustainability. The WTO issues periodic press releases on developments in the talks. *See, e.g.*, JOINT INITIATIVE ON E-COMMERCE, E-commerce negotiators seek to find common ground, revisit text proposals, 21 February 2022, [https://www.wto.org/english/news\\_e/news22\\_e/jsec\\_23feb22\\_e.htm](https://www.wto.org/english/news_e/news22_e/jsec_23feb22_e.htm) (hoping to have convergence on majority of issues by end of 2022)(86 WTO Members participating accounting for 90% of e-commerce trade including China, U.S. and most other major countries); INVESTMENT FACILITATION FOR DEVELOPMENT, Investment facilitation negotiators take steps to assess needs of developing countries, 15 February 2022, [https://www.wto.org/english/news\\_e/news22\\_e/infac\\_23feb22\\_e.htm](https://www.wto.org/english/news_e/news22_e/infac_23feb22_e.htm) (looking to complete by end of 2022)(over 100 WTO Members participate including China and most developed countries, but not the U.S.); INFORMAL DIALOGUE ON PLASTICS POLLUTION AND ENVIRONMENTALLY SUSTAINABLE PLASTICS TRADE, Plastics dialogue emphasizes need for international collaboration, cooperation, 30 March 2022, [https://www.wto.org/english/news\\_e/news22\\_e/ppesp\\_31mar22\\_e.htm](https://www.wto.org/english/news_e/news22_e/ppesp_31mar22_e.htm) (70 Members participate including China and most major developed countries but not the U.S.); Joint Initiative on Services Domestic Regulation, Negotiations on services domestic regulation conclude successfully in Geneva, [https://www.wto.org/english/news\\_e/news21\\_e/jssdr\\_02dec21\\_e.htm](https://www.wto.org/english/news_e/news21_e/jssdr_02dec21_e.htm) (67 Members participated including China, the U.S. and other major developed countries); . MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES (MSMES), Working group on small business welcomes three more members, 8 February 2022, [https://www.wto.org/english/news\\_e/news22\\_e/msmes\\_08feb22\\_e.htm](https://www.wto.org/english/news_e/news22_e/msmes_08feb22_e.htm) (94 participants including China and most major developed countries but not the U.S.).

Since the Doha Development Agenda reached an impasse in 2008, U.S. Administrations have participated in WTO activities but have also pursued free trade agreements and other regional and plurilateral activities. There is good progress being made in Geneva on the various JSIs,

although the impact of the Russian Federation's invasion of Ukraine may create challenges to forward movement in some talks.

The U.S. is obviously pursuing important topics like e-commerce in multiple fora. While the WTO may result in a plurilateral agreement that is less robust than U.S provisions with Canada and Mexico or that get achieved with other trading partners, the plurilaterals at the WTO are an important effort to maintain relevance for the WTO in a rapidly changing world.