

# **A Milder But Effective WTO Reform— Possible Plurilateral FTAs and Plurilateral DSU within the WTO**

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## **ABSTRACT**

*The WTO used to be a solid basis to support international trade. Now it is encountering huge difficulties. There are large-scale trade wars going on between economically and politically powerful WTO Members. The disputes have frequently involved thousands of products (with tens of billions of US dollars in value) being levied by tens of percentage points of tariffs. Some big countries have preferred relying on unilateral actions to resolve their problems with other WTO Members. The WTO seems not to have much role to play to put out the trade wars. What is worse is that the operation of the Appellate Body (hereinafter “AB”) is going to be disrupted in December 2019 due to the lack of enough AB members to make decisions and to issue its reports. There is no sign showing that such problems will be immediately resolved. In addition, many people are frustrated about the slow movement of WTO’s negotiations on further trade liberalization, on strengthening the existing trade norms (such as the rules governing subsidies), and on enhancing the organization’s ability to deal with emerging issues (such as various problems arising from or relating to e-commerce). This paper proposes a renewed use of the traditional approach of plurilateral agreements under the WTO. The paper suggests establishing one or two plurilateral FTAs and concluding a plurilateral DSU under the WTO to address the current crisis and to resolve some urgent*

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*problems. It explains the ways of achieving the goal and the contents of such plurilateral agreements. The paper emphasizes that the proposal is not a panacea. It hopes that with the proposal, the trade wars and the blockage of AB member appointments will not lead to disrupting the operation of the WTO's key functions.*

**KEYWORDS:** *plurilateral agreement, plurilateral approach, plurilateral DSU, plurilateral FTA, WTO reform*